United Nations A/AC.109/2013/7

General Assembly

Distr.: General
22 February 2013

Original: English

Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

Saint Helena

Working paper prepared by the Secretariat

Contents

		Page
	The Territory at a glance	3
I.	Constitutional, legal and political developments	4
II.	Budget	5
III.	Economic conditions	5
	A. General	5
	B. Development	6
	C. Fisheries and agriculture	6
	D. Transport and utilities	7
	E. Banking and credit	8
	F. Tourism	8
IV.	Social conditions	8
	A. General	8
	B. Employment	10

Note: The information contained in the present working paper has been derived from public sources, including those of the territorial Government, and from information transmitted to the Secretary-General by the administering Power under Article 73 *e* of the Charter of the United Nations. Information was transmitted by the administering Power on 21 December 2012. Further details are contained in previous working papers, available from www.un.org/en/decolonization/workingpapers.shtml.

13-24124 (E) 040313

Please recycle

C. Education 11
D. Environment 11
V. Ascension 11
A. Constitutional and political status 11
B. Economic and social conditions 12
VI. Tristan da Cunha 12
A. Constitutional and political status 12
B. Economic and social conditions 13
VII. Relations with international organizations and partners 14
VIII. Future status of the Territory 15
A. Position of the territorial Government 15
B. Position of the administering Power 15
IX. Action by the General Assembly 16

The Territory at a glance

Territory: Saint Helena, Ascension and Tristan da Cunha is a Non-Self-Governing Territory under the Charter of the United Nations administered by the United Kingdom of Great Britain and Northern Ireland.

Representative of administrative Power: Governor Mark Capes (October 2011).

Geography: Saint Helena is a small island of volcanic origin situated in the South Atlantic Ocean, approximately 1,900 km from Angola and 2,900 km from Brazil. Ascension lies 1,200 km to the north-west of Saint Helena, and Tristan da Cunha and the other small islands lie approximately 2,400 km to the south of Saint Helena.

Land area: 310 km^2, consisting of the islands of Saint Helena and Ascension and the Tristan da Cunha group.

Exclusive economic zone: 1,641,294 km^2.[a]

Population: Saint Helena: 4,214; Ascension: 917; Tristan da Cunha: 265 (November 2012 estimates).

Language: English.

Capital: Jamestown.

Main political parties: None.

Elections: Most recent: November 2009; next: November 2013.

Legislature: Unicameral legislative assembly (15 seats, 12 elected members).

Gross domestic product per capita: $2,291 (2000/01 estimate).

Economy: Fishing, coffee, tourism, sales of postage stamps. The economy depends on financial assistance from the United Kingdom.

Unemployment rate: 12.7 per cent (2001/02 estimate).

Monetary unit: Saint Helena pound (SHP).

Brief history: The island of Saint Helena was reportedly discovered in 1502 by a Spanish navigator in the service of Portugal and by the end of the sixteenth century had become a port of call for ships en route from Europe to the East Indies. In 1633, it was formally annexed by the Netherlands; however, in 1659 the British East India Company took possession of the island.

[a] Exclusive economic zone data from the "Sea around us" project, a collaboration between the University of British Columbia and the Pew Environment Group (www.seaaroundus.org).

I. Constitutional, legal and political developments

1. The current Constitution of Saint Helena, Ascension and Tristan da Cunha entered into force in September 2009. The new Constitution changed the name of the Territory from "Saint Helena and its Dependencies" to "Saint Helena, Ascension and Tristan da Cunha", giving the three islands equal status within the Territory. The Head of the Government of Saint Helena, Ascension and Tristan da Cunha is the Governor, appointed by the British Crown. However, the ability of the Governor to act inconsistently with the wishes of elected Councillors is curtailed in comparison with the previous Constitution. The British Overseas Territories Act 2002 provides for the granting of British citizenship to "British overseas territory citizens".

2. The Constitution provides for the protection of the fundamental rights and freedoms of the individual, including protection of the right to life and to personal liberty, protection from inhumane treatment and from slavery and forced labour and the protection of prisoners, the right to marry, children's rights, freedom of conscience, the right to education and freedom of expression, assembly and association.

3. The Legislative Council comprises the Speaker, the Deputy Speaker, three ex officio members (the Chief Secretary, the Financial Secretary and the Attorney General) and 12 elected members. The Executive Council, which is presided over by the Governor, consists of the ex officio members and five elected members from the Legislative Council. The ex officio members have no vote in either body.

4. Elections are held by secret ballot, at intervals of not more than four years, by universal suffrage for those aged 18 years and over. The most recent general elections were held on 4 November 2009. Twelve nominees (six for each constituency) were duly elected. The Legislative Council met formally on 13 November and elected the five elected members of the Executive Council and Chairs for each of the eight Council Committees. An election for a new Executive Council was held on 7 November 2011, at the midpoint of the terms of office of the current Legislative Council. The Council is due for dissolution on or before November 2013, and the next general election will be held shortly thereafter.

5. The 2009 Constitution contains enhanced provisions for ensuring the independence of the judiciary from the legislative and executive organs of the Government. The judicial system comprises a Court of Appeal, a Supreme Court and such subordinate courts (currently a Magistrates' Court and provisions for coroner's enquiries into sudden deaths) as may be established by ordinance. There remains a final appeal to the Privy Council of the United Kingdom of Great Britain and Northern Ireland in prescribed circumstances.

6. In January 2013, following a resolution passed in September 2012 by the Legislative Council, a public consultation process on proposals to adjust the 2009 Constitution was launched. According to the consultation document presented by Governor Capes, the proposed changes would create an environment that promotes the further development of democratic and good governance. Specific proposals relate to three areas: the Executive Council, the Council Committees and the Public Account Committee. According to the same document, the proposals originated from the widely held belief that the Constitution created a political system that was not conducive to collective leadership and responsibility, clear lines of authority or transparent accountability. Governor Capes noted that the proposed changes did not

give the Governor or the Councillors additional powers. Eight public meetings were held during the consultation period, which ended on 25 January 2013.

II. Budget

7. Owing to a shrinking tax base due in part to migration and an ageing population, Saint Helena depends heavily on the United Kingdom and other external sources for funding. Budgetary support from the United Kingdom is used to provide essential public services and to subsidize the dedicated shipping service of the Territory. According to the Department for International Development of the United Kingdom, Saint Helena is not allowed to borrow funds, in accordance with guidelines from Her Majesty's Treasury. As a consequence, grants from the Department and the European Union are the only resources available.

8. According to information provided by the administering Power, total budgetary aid, development assistance and shipping support from the Government of the United Kingdom amount to £24.378 million for the 2012/13 fiscal year, compared to £21.485 million during the previous period, representing a 13.5 per cent increase. The 2012/13 aid package was approved in February 2012, following a visit to Saint Helena by representatives of the Department for International Development. It was decided during that visit that the next three-year budget review would take place in January 2013.

III. Economic conditions

A. General

9. The economy of Saint Helena depends largely on financial assistance from the United Kingdom. Approximately 40 per cent of the labour force works in the Government; the next-largest sector for employment is retail and services. The local population also earns income from fishing, raising livestock and selling handicrafts. In June 2011, the Government of Saint Helena conducted a national workforce survey to assess the likely demand for labour during the construction and operation of an airport, as well as to provide an indication of gaps in skills and future training needs. Moreover, the labour market strategy for the period 2013-2014, setting up the policy framework, was presented by the Government along with an implementation plan to ensure the achievement of strategic goals throughout 2014. A midterm review of the strategy will be conducted by the Government in 2013.

10. According to the United Kingdom, a three-year modernization programme has just been completed. A no-cost extension to the project's time e was agreed by the Department for International Development, which moved the final date of project completion to the end of November 2012. The programme focused on supporting the implementation of the air access memorandum of the "Understanding reform" programme. The previous year's work stream included supporting corporate governance, rationalizing/streamlining Government, divestment, establishing quality standards and adopting a medium-term expenditure framework.

B. Development

11. Saint Helena is eligible to receive funds from the European Union. The Territory's allocation from the tenth European Development Fund (2008-2013) is €16.63 million. On Saint Helena, the Fund's allocation will allow for the development of a safer landing facility (including a breakwater, a slipway and a sheltered landing area), improved sea defences in James Bay and road rehabilitation. On Ascension Island, the allocation will be applied to road upgrading. On Tristan da Cunha, it will be used for further harbour improvements, the investigation of alternative energy potential, water upgrading, waste management, electricity distribution infrastructure and capacity-building related to the management of the lobster processing plant.

12. Development aid from the Department for International Development is provided within a three-year framework. In addition, the Department has funded a major infrastructure review that has led to the development of a comprehensive plan that identifies the infrastructure requirements of Saint Helena over the next 10 to 20 years.

13. In March 2008, a disaster management capability review, fully funded by the Department for International Development, was undertaken in Saint Helena by the Government of the United Kingdom. In February 2009, a disaster management consultant funded by the European Union visited Saint Helena to consolidate the work of the island Disaster Management Committee. Further recommendations are now being carried forward. The disaster management recommendations are being implemented in quarterly meetings led by the Chief of Police in his capacity as the Disaster Management Coordinator for Saint Helena. According to the United Kingdom, a successful live waterborne disaster management exercise took place in 2012, from which valuable lessons were learned. A joint agency disaster-management live exercise was conducted in January 2013, following the previous exercise in November 2010.

C. Fisheries and agriculture

14. Fisheries are an important sector of the economy of Saint Helena. According to the United Kingdom, there are 29 fishing boats with commercial licences, but only about 12 of them fish regularly. The local fishermen sell their catch to the Saint Helena Fisheries Corporation. Fish purchases for the first half of the financial year 2012/13 were 131.82 tons, compared to 380.43 tons during the same period the previous year. Fish exports from April to August 2012 amounted to 76.6 tons, compared to 491.1 tons over the same period the previous year. There was no take-up of foreign fishing licences in 2012, although the opportunity to do so still exists. All foreign fishing vessels taking up licences to fish are required to have on board a vessel monitoring system as part of the conditions of licence. The island's wild fish were the first to receive organic certification from the Soil Association, the leading campaigning and certification organization of the United Kingdom for organic food and farming.

15. Saint Helena has developed a reputation for the high quality of its coffee. The island's product is considered one of the finest premium coffees in the world. Owing

to problems in the coffee sector, however, only 1,582 kg of Arabica Green Tipped Bourbon beans were exported in 2012.

16. With regard to farming, according to the administering Power, during the fiscal year 2012/13 the focus has been on covered production. An area of 2,340 ft^2 has been established, and there are plans for a further 7,800 ft^2. Planning permission is also being obtained for a further 4,680 ft^2. The aim of using covered production is to control the growing environment in order to optimize the production of salad crops.

D. Transport and utilities

17. Access to Saint Helena is provided by the *RMS Saint Helena*, which serves Saint Helena, Ascension and Cape Town, South Africa, but it is already 22 years old and increasingly expensive to operate. The only port, Jamestown, provides good anchorage, although it lacks safe landing facilities that would allow passengers of large cruise vessels to come ashore in all types of weather. It is hoped that the construction of a jetty in Rupert's Bay, combined with air access development, will enable the separation of cargo and passenger operations in the future.

18. According to the United Kingdom, Prosperous Bay Plain, on the east of the island, has been selected for the airport development, which includes a runway, an apron area, a terminal building and supporting airside and landside facilities. An access road connecting the airport site to the facilities in Rupert's Bay (the temporary jetty and bulk fuel installation) and inshore sea rescue are also requirements under the airport project. The contractual completion date of the project is February 2016. The opportunities enabled by air access should eventually make the island financially independent and not reliant on funding from the United Kingdom and the European Union.

19. The Territory has approximately 168 km of paved roads (Saint Helena, 118 km; Ascension, 40 km; Tristan da Cunha, 10 km) and 30 km of unpaved roads (Saint Helena, 20 km; and Tristan da Cunha, 10 km).

20. Saint Helena has two local radio stations, as well as satellite television stations rebroadcast terrestrially. Ascension has one local radio station and receives relays of broadcasts from Saint Helena. Broadcasts from the British Forces Broadcasting Service are available, as well as television services for the United States military. Tristan da Cunha has one local radio station and receives television and radio broadcasts from the British Forces Broadcasting Service. There were 936 Internet subscribers in Saint Helena as at 1 December 2012.

21. Under the electricity distribution project funded by the Department for International Development, work has been under way to upgrade and extend the island's electricity distribution system. A further project to refurbish the power station and the generators and the installation of additional wind turbines are under way. The water collection, treatment and distribution network is currently under review, and funding from the Department is available to ensure that any high-priority works can be implemented. Further joint funding by the Department and the European Union is available to refurbish some of the major roads across Saint Helena. Following the approval of a solid waste management strategy in 2012, improved waste management practices should be in place by December 2013 to allow the landfill disposal site to operate in close proximity to the airport.

E. Banking and credit

22. In December 2008, new ordinances on financial services and money-laundering came into force. The bills are aimed at ensuring that Saint Helena complies with international obligations while safeguarding Saint Helenians from fraudulent financial service providers.

F. Tourism

23. In 2010, the Department for International Development approved £1.2 million for the tourism development project on Saint Helena. The project provides, among other things, for enhanced marketing and promotion, improved destination management and community-driven projects linked with tourism.

24. The United Kingdom believes that the new airport is the best way to bring new financial opportunities to the island and promote tourism. At present, about 2,000 visitors make the trip to Saint Helena by ship each year. With the airport, it is estimated that more than 29,000 tourists will visit the island each year. The rugged natural beauty of the Territory, its rare wildlife and its historic sites, such as Napoleon's tomb, are expected to attract visitors. With the completion of the airport, tourist expenditure on the island may grow from £707,000 in 2009/10 to £9,840,000 in 2021 and stimulate growth in the wider economy.

IV. Social conditions

A. General

25. According to the 2008 Saint Helena census, the population stood at 4,077. Approximately 17 per cent of the resident Saint Helenian population resides in the capital, Jamestown. Following the reintroduction of the granting of British citizenship to Saint Helenians in 2002, the islands experienced an exodus. The impact of outward labour migration is evident in the age-sex characteristics of the resident Saint Helenian population. The resident population is skewed towards the elderly, and there is a prominent deficit in the population within the 20-40 age bracket and an associated reduction in the number of young children. Approximately one third of households are headed by women. Of those, approximately 40 per cent are single and less than 20 per cent are married. However, the 2008 census did not provide an update on the number of children with one or more parents living abroad, but previous figures suggest this to be about 25 per cent. The initiation of the air access project has seen a reversal of the trend, and an increasing number of Saint Helenians are returning to the island to take advantage of improved employment and business development opportunities.

26. Measured by international standards, Saint Helena is a middle-income Territory with few signs of real material poverty. This is largely the result of the all-encompassing Government safety net, which guarantees everyone a minimum standard of living, and of social networks that encourage the distribution of income among kin, most notably in the form of remittances. However, according to the Department for International Development, the lack of socioeconomic data remains an acute challenge in understanding poverty, inequality and socioeconomic trends,

constraining the development of evidence-based policymaking. A new national strategy for the development of statistics was endorsed by the Economy and Finance Committee of the Legislative Council on 8 March 2012. The strategy provides a framework to underpin the enhancement of the Territory's current statistical system through the establishment and implementation of a cohesive action plan covering the next three years.

27. According to media reports, Saint Helena achieved two top-10 rankings — eighth in both best quality of life and best direct foreign investment strategy — in the African Countries of the Future 2011/12 ranking made by fDi Intelligence.

28. The ageing population of the Territory, with 22 per cent over 65 years of age, has created an increasing need for substantial investment in a new elderly care programme. To that end, the Princess Royal Community Care Centre, funded by the Department for International Development, was opened in 2008. A revised policy for home-care support aimed at providing support with daily activities to enable older people to live in their own homes for as long as possible took effect in mid-November 2010. According to the United Kingdom, in April 2011 a new social security ordinance providing for the payment of income-related benefits to the poorest households on the island came into force. The legislation also provides for the introduction of a benefit called the "basic island pension", which is available to people aged 65 and older who are able to demonstrate that they worked a minimum of 20 years on Saint Helena. At the end of November 2011, 550 persons were receiving a basic island pension.

29. The Welfare of Children Ordinance came into force in March 2010. The legislation changes the strategic management structure for safeguarding children and young people on Saint Helena. Policies and procedures have been developed for child protection and safeguarding the welfare of children. The legislation fulfils the Territory's obligation under the Convention on the Rights of the Child and the International Covenant on Civil and Political Rights.

30. According to the Foreign and Commonwealth Office report entitled *Human Rights and Democracy*, issued in 2012, the protection and promotion of human rights in each territory is primarily the responsibility of the territorial Government, while the Government of the United Kingdom is ultimately responsible for ensuring that the territories fulfil their obligations arising from international human rights treaties that have been extended to them.

31. There is one general hospital in Jamestown, as well as three health clinics serving people living in rural areas. In addition, two units cater to clients with challenging behaviour problems and learning disabilities.

32. In a communiqué dated 5 December 2012, the Joint Ministerial Council, a body bringing together the political leaders and representatives of the United Kingdom and its overseas territories, including Saint Helena, expressed agreement on the importance of health security and on achieving compliance with the requirements of the International Health Regulations, an international legal instrument binding on 194 countries, including all States members of the World Health Organization, by June 2014. Furthermore, the participants agreed to identify and make use of all available sources of assistance, in particular regional and global health organizations such as the Pan American Health Organization and United Nations agencies, to share best practices on health strategies and processes, with

special emphasis on the treatment of non-communicable diseases, and to improve representation of the territories and linkages with global and regional health bodies.[1]

B. Employment

33. The public sector employs about 40 per cent of the workforce. The Government of Saint Helena has been looking at standards of practice in employment in anticipation of the economic changes that are expected because of the construction of the airport. Legislation was passed in 2010 with provisions relating to employment and the rights of employees in order to create a framework for the enforcement of such rights. Those rights relate to a written statement of particulars, provision for working time regulations, protection from unfair dismissal, entitlement to unpaid parental leave and unpaid leave to care for dependants and provision for a minimum wage. In addition, the Government has indicated that it intends to enact new legislation to regulate the terms and conditions under which people are employed by businesses and other organizations in Saint Helena. The subjects expected to be covered include paid holiday and rest breaks, limits on night work, maternity and paternity pay, redundancy pay and protection from unauthorized deductions from pay, as well as the right to belong or not to belong to a trade union or staff association.

34. With a view to correcting anomalies and addressing staff retention, as well as encouraging and/or facilitating career management, in April 2010 the Government introduced a revised system of fairer pay scales.

35. Offshore employment has steadily increased and, with it, remittances to the Territory. Approximately one quarter of the island's workforce is employed on Ascension, in the Falkland Islands (Malvinas) or in the United Kingdom. The Finance Directorate no longer processes remittances, as they are done through the Bank of Saint Helena.

36. The majority of contracts for offshore employment are for unaccompanied workers, resulting in a significant social burden and the dislocation of families. In addition, the loss of trained staff to better-paid offshore employment makes it necessary to bring in a range of internationally recruited staff in a number of sectors. As a result of the construction of an airport, which started in late 2011, the demand for workers has increased significantly. According to the Department for International Development, in the present situation of nearly full employment, the lack of additional labour force capacity constrains private sector growth. At the same time, evidence of underemployment suggests the potential for economic growth as a result of productivity gains.

[1] The communiqué is available from https://fco-stage.fco.gov.uk/resources/en/pdf/uk-ot-communique.pdf.

C. Education

37. Education is compulsory and free for children between 5 and 16 years of age. There are currently four schools in operation, comprising three all-through primary schools (for pupils aged 3 to 11 years) and one secondary school (for students aged 11 to 18 years). Students over 16 may opt for United Kingdom-accredited academic or vocational courses. Since September 2009, distance learning opportunities have been included in the curriculum of the secondary school. The Directorate of Education is also responsible for the training and retraining of the public and private sectors, through its Adult and Vocational Education Service.

38. Retaining qualified, experienced staff continues to be a challenge. The Education Ordinance 2008 improved the legal framework for providing suitable education to children and raised the compulsory schooling age from 15 to 16 years. The allowance scheme available to students in years 12 and 13 for attending school has been selected as the first untargeted subsidy to be reformed. Beginning in September 2011, the reform changed the school allowance from an untargeted to a targeted subsidy so that students who come from a household that meets the criteria will still benefit. The Executive Council decided that only those students in years 12 and 13 from a household with a gross annual income of up to £11,000 will qualify for the school allowance. For the year 2012/13, the Government's estimated expenditure on education and employment is £2,196,424, including all of the primary sectors and tertiary education and teacher training costs.

D. Environment

39. Saint Helena has an environmental conservation programme aimed at preserving endangered species and the diversity of habitats. The Government actively pursues compliance with its commitments under the Environment Charter, but resource constraints have impeded progress in some areas.

40. The Overseas Territories Environment Programme, funded jointly by the Department for International Development and the Foreign and Commonwealth Office of the Government of the United Kingdom, approved several projects for the Territory in 2011, including three projects for Saint Helena, two for Ascension Island and two for Tristan da Cunha. No project bids were called for in 2012.

41. In January 2012, the Department for Environment, Food and Rural Affairs of the United Kingdom issued a paper entitled "The environment in the United Kingdom's overseas territories: UK Government and civil society support", on the advice and support available to the territories in its areas of competence, and highlighted the availability of departmental funds for that purpose.

V. Ascension

A. Constitutional and political status

42. The 2009 Constitution of the Territory removed the notion that Ascension was a "dependency" of Saint Helena, but the islands remain part of a single territory, sharing a Governor, Attorney General and superior courts. The new Constitution

enshrines the protection of fundamental rights and freedoms and contains enhanced provisions to guarantee the independence of the judiciary from the legislative and executive organs of the Government.

43. For the first time, the existence of an Island Council is recognized in the Constitution, with detailed provisions to be made by local ordinance. A new Council was elected in February 2011.

44. In June 2010, the Commission on the Limits of the Continental Shelf denied a claim for a continental shelf area beyond 200 nautical miles submitted by the United Kingdom to the Commission, in respect of Ascension Island, in accordance with the provision set out in article 76 of the United Nations Convention on the Law of the Sea. The Commission concluded that the volcanic pinnacle on which Ascension rests was too slender to generate rights to an extended zone of the submerged continental shelf.

B. Economic and social conditions

45. Following a joint meeting between the Foreign and Commonwealth Office/Ministry of Defence team and the Ascension Island Council regarding the right of abode and property ownership on Ascension, in January 2006 the Government of the United Kingdom announced that there would be no change in its policy and that rights of permanent abode and property ownership would not be granted on Ascension. The issue for the Government of the United Kingdom was one of contingent liabilities that could fall on British taxpayers. Legislation underpinning a land and business policy was enacted in June 2008. It was aimed at providing a clear and transparent means of determining the allocation and use of land, as well as a framework for the operation of businesses on the island.

VI. Tristan da Cunha

A. Constitutional and political status

46. Executive authority for Tristan da Cunha is exercised by the Governor of Saint Helena, Ascension and Tristan da Cunha. A resident Administrator is appointed by and reports to the Governor. The Administrator is advised by an Island Council, comprising the Administrator, who is President of the Council, eight elected members (including a Chief Islander and at least one woman) and three appointed members. Elections are held every three years. All registered voters over 18 years of age are eligible to vote. Under the 2009 Constitution, the Governor continues to have legislative authority over Tristan da Cunha but, for the first time, is constitutionally required to consult the Island Council before making any laws.

47. Tristan da Cunha has its own legislation, but Saint Helena law applies to the extent that it is not inconsistent with local law, insofar as it is suitable for local circumstances and subject to such modifications as local circumstances make necessary. As a last resort, the laws of England and Wales apply. There are two special constables and one full-time police officer. The Administrator also serves as the Magistrate.

B. Economic and social conditions

48. The economy of Tristan da Cunha is based on traditional subsistence farming and fishing. Rock lobster is sustainably fished and exported to Australia, Japan and the United States of America. Work is in progress to gain access to the European Union market. Tourism from occasional passing cruise ships and the sale of commemorative coins and stamps also bring the island significant income. Government income from those sectors is used to fund health, education and other Government services. In 2009/10 the Government of the United Kingdom funded the construction of a post office/museum and a police station on the island. The post office/museum hosts a number of tourism services, which generate additional income for the island.

49. A new lobster plant was completed in July 2009, redressing the hardship caused by the burning of the plant the previous year. A new crane arrived on the island in 2011, making repairs to the harbour wall possible.

50. Access to Tristan da Cunha is only by sea and is provided primarily by two vessels operated by the South African company Ovenstone, which holds the fishing concession for Tristan da Cunha lobster, and by the *SA Agulhas II*, a research vessel that services a South African weather station on Gough Island once a year. Between them, they visit Tristan da Cunha nine times a year, operating a passenger and freight service. The journey between Cape Town and Tristan da Cunha takes about seven days.

51. The harbour can be used only when weather and sea conditions are favourable, and cruise ships are often unable to land passengers. The harbour is not deep enough for visiting ships and is vulnerable to sea storms. Further repairs funded by the Government of the United Kingdom were carried out between January and April 2011 and again between January and April 2012. Repairs are needed every year, following winter storms. Longer-term options to reinforce or redesign the harbour are being considered.

52. Following the installation of an improved telephone network early in 2007, Tristan da Cunha enjoys improved telecommunications. The United Kingdom funds the line rental charge for the service. Telephone services are reliable and available to all households. Further improvements to the island's telecommunications were made in 2011 and 2012. Internet access is now available to the community through an Internet cafe and a Wi-Fi system.

53. Until 2008, the island's expenditure has been substantially higher than its earnings, leading to a serious drain on reserves. Contributing factors include inexperience in financial management, the amount of capital expenditure needed to maintain such a remote and isolated community and the cost of medical services, including offshore medical treatment for islanders.

54. In 2009, the Island Council set out broad strategies to secure the island's financial future. According to the United Kingdom, even with such reforms, the island would very soon become insolvent, unless further drastic measures continued to be taken. In 2011, a thorough review of budgets was undertaken and strict rules on procurement and expenditure were introduced. Increased income from a new fishing licence agreement negotiated in 2009/10 and improved sales in other income streams have also helped. As a result, the island forecasted a surplus of revenue over

expenditure in both 2011 and 2012. According to the administering Power, external financial assistance with infrastructure projects continues to be needed. Funds from the European Union (through the tenth European Development Fund) came on stream in 2011. Projects include upgrades to the electrical reticulation system, the improvement of the quality of the water supply, an improved waste management system, further harbour repairs and a pilot project for renewable energy.

55. The Department for International Development funds the position of a resident doctor. In order to build capacity on the island, it also funds the positions of a nurse trainer, the Chief Executive Officer and the Director of Public Works. The Department also sponsors annual dental and biennial optometrist visits. It has been a number of years since Tristanians had access to off-island training, but in 2012 an agreement that would facilitate on- and off-island training was reached with the Department.

56. Pupils leave school at the age of 16 and tend to work in the Government or the fishing sector. They have no opportunity to proceed to higher education unless they go abroad. The current staff members are, by their own admission, poorly trained. There are no trainee teachers in the pipeline. In September 2009, an education adviser sponsored by the Department for International Development began a two-year posting on the island, during which he delivered training. The post has been extended to 2015.

57. Tristan da Cunha is successfully implementing a number of conservation projects, with help from its partners, including the Royal Society for the Protection of Birds. The Overseas Territory Environmental Programme projects include efforts to remove invasive species from uninhabited islands in the Tristan da Cunha group and studies on the feasibility of eradicating rodents. Tristan da Cunha also has a biodiversity action plan to help it to meet its commitments under the relevant Convention. This was updated in 2012 to cover a five-year period, until 2017.

58. According to the United Kingdom, in March 2011 a bulk carrier ran aground on Nightingale, spilling 1,600 tons of fuel and 65,000 tons of soya. Penguins on both Nightingale and Inaccessible — a World Heritage Site — were affected, and the fisheries on both islands were closed.

VII. Relations with international organizations and partners

59. As a Non-Self-Governing Territory of the United Kingdom, Saint Helena, Ascension and Tristan da Cunha are associated with, but not part of, the European Union. The Territory is a member of the South Atlantic Territories Cooperation Forum.

60. As stated in paragraph 32 above, in December 2012, the United Kingdom and its overseas territories represented at the Joint Ministerial Council meeting, including Saint Helena, agreed to work together to further develop links with the United Nations and its agencies and regional partners and expressed the belief that the Special Political and Decolonization Committee (Fourth Committee) should delist territories where that was their wish.

VIII. Future status of the Territory

A. Position of the territorial Government

61. Information on political and constitutional developments regarding the status of Saint Helena is reflected in section I above.

B. Position of the administering Power

62. On 11 October 2012, the representative of the United Kingdom made a statement before the Special Political and Decolonization Committee (Fourth Committee) during the sixty-seventh session of the General Assembly. According to the record of the meeting (A/C.4/67/SR.5), the representative stated, inter alia, that the Government of the United Kingdom maintained its long-standing position on the independence of the overseas territories. Any decision to sever the constitutional link between the United Kingdom and a territory should be taken on the basis of the clear and constitutionally expressed wish of the people of that territory. Where independence was an option and it was the clear and constitutionally expressed wish of the people to pursue independence, the Government of the United Kingdom would meet its obligations to help the Territory to achieve it.

63. Furthermore, the representative referred to the white paper that the Government of the United Kingdom had published in June 2012 confirming the Government's commitment to maintaining the overall relationship between the United Kingdom and the territories. In the introduction, the Government expressed the belief that the fundamental structure of the constitutional relationships was the right one: powers were devolved to the elected Governments of the territories to the maximum extent possible consistent with the United Kingdom retaining the powers necessary to discharge its sovereign responsibilities, including to ensure that constitutional arrangements worked effectively to promote the best interests of the territories and of the United Kingdom. The Government recognized that it was important to continue to reflect on the constitutional relationship and would ensure that a dialogue on those issues was sustained with all those territories that wished to engage.

64. The representative went on to say that the white paper had made it clear that the fundamental responsibility and objective of the Government of the United Kingdom was to ensure the security and good governance of the territories and their peoples. That responsibility flowed from international law, including the Charter of the United Nations. However, being an overseas territory of the United Kingdom also entailed responsibilities: the Government of the United Kingdom expected territorial Governments to meet the same high standards that it did in maintaining the rule of law, respect for human rights and integrity in public life, delivering efficient public services and building strong and successful communities and would take firm and resolute action wherever there was evidence of corruption or maladministration in a territory. The representative concluded that the relationship between the United Kingdom and its overseas territories continued to be a modern one based on partnership, shared values and the right of each territory to determine whether it wished to stay linked to the United Kingdom. For as long as the overseas territories of the United Kingdom wished to retain their link to it, its Government would remain committed to their future development and continued security.

IX. Action by the General Assembly

65. On 18 December 2012, the General Assembly adopted without vote resolution 67/132 A and B on the basis of the report of the Special Committee (A/67/23) and the subsequent recommendation by the Fourth Committee. Section IX of resolution 67/132 B concerns Saint Helena. In the operative paragraphs of that section, the General Assembly:

1. *Stresses* the importance of the Territory's 2009 Constitution;

2. *Requests* the administering Power to assist the Territory by facilitating its work concerning public outreach efforts, consistent with Article 73 *b* of the Charter, and in that regard calls upon the relevant United Nations organizations to provide assistance to the Territory, if requested;

3. *Requests* the administering Power and relevant international organizations to continue to support the efforts of the territorial Government to address the Territory's socioeconomic development challenges, including unemployment, and limited transport and communications infrastructure;

4. *Calls upon* the administering Power to take into account the unique geographical character of Saint Helena while resolving any emerging issues related to the construction of the airport.

United Nations A/AC.109/2013/8

General Assembly

Distr.: General
25 February 2013

Original: English

Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

Cayman Islands

Working paper prepared by the Secretariat

Contents

		Page
	The Territory at a glance	3
I.	Constitutional, legal and political issues	5
II.	Budget	6
III.	Economic conditions	6
	A. General	6
	B. Financial services	7
	C. Tourism	7
	D. Agriculture	7
	E. Infrastructure	8
	F. Telecommunications and utilities	8
IV.	Social conditions	8
	A. General	8
	B. Labour and immigration	9

Note: The information contained in the present working paper has been derived from public sources, including those of the territorial Government, and from information transmitted to the Secretary-General by the administering Power under Article 73 *e* of the Charter of the United Nations. Information was transmitted by the administering Power on 21 January 2012. Further details are contained in previous working papers, available from www.un.org/en/decolonization/workingpapers.shtml.

13-24279 (E) 120313

Please recycle

C. Education 9
D. Public health 10
E. Crime and public safety 11
F. Human rights 12
V. Environment and disaster preparedness 13
VI. Relations with international organizations and partners 13
VII. Future status of the Territory 14
A. Position of the territorial Government 14
B. Position of the administering Power 14
C. Action taken by the General Assembly 15

The Territory at a glance

Territory: The Cayman Islands is a Non-Self-Governing Territory under the Charter administered by the United Kingdom of Great Britain and Northern Ireland

Representative of administrative Power: Governor Duncan Taylor (January 2010)

Geography: Located some 290 km west of Jamaica and about the same distance south of Cuba, the Territory comprises three islands: Grand Cayman, Cayman Brac and the adjacent Little Cayman

Land area: 264 km^2

Exclusive economic zone:[a] 119,137 km^2

Population: 55,500 (2011 estimate)

Ethnic composition: Afro-European (40 per cent), African (20 per cent), European (20 per cent), other (20 per cent)

Languages: English

Capital: George Town

Head of the territorial Government: Juliana O'Connor Connolly (December 2012)

Main political parties: United Democratic Party and People's Progressive Movement

Elections: The most recent elections were held in May 2009; the next elections are due in May 2013

Legislature: 18-member Legislative Assembly (15 elected and 3 ex officio members)

Gross domestic product per capita: $57,048 (2010)

Economy: Offshore financial services and tourism

Main trading partners: United States of America

Unemployment rate: 6.3 per cent (2011 estimate)

Monetary unit: Cayman dollar, pegged to the United States dollar at CI$ 0.83

Brief history: The Territory was reportedly sighted by Christopher Columbus in the late fifteenth century. The first recorded British settlements were established between 1661 and 1671. The first land grant by the British Governor of Jamaica, in 1734, aimed at developing an existing settlement and included the use of slaves. A tradition of self-government gradually grew in the Territory and a legislative assembly was established in 1831. Slavery was abolished in 1834. In 1863, an act

of the Parliament of the United Kingdom made the Cayman Islands a dependency of Jamaica. When Jamaica achieved independence in 1962, the Islands remained under the British Crown.

[a] Exclusive economic zone data from the "Sea Around Us" project, a collaboration between the University of British Columbia and the Pew Environment Group (www.seaaroundus.org).

I. Constitutional, legal and political issues

1. Under the 2009 Constitution, the Governor, appointed for four years by the British Crown, is responsible for external affairs, defence, internal security and the civil service.

2. The Territory's Cabinet is headed by a Premier. The Governor appoints as Premier the member of the Territory's 15-member Legislative Assembly who is recommended by the party with the majority of seats. The Cabinet, chaired by the Governor, consists of five ministers elected by and from within the elected membership of the Legislative Assembly, and two appointed civil servants. As mandated in the 2009 Constitution, in November 2012 the Legislative Assembly approved an order, to be signed by the Governor, that increased the number of elected members from 15 to 18. According to the administering Power, those changes will come into force following the legislative elections in May 2013.

3. During the general elections held in 2009, the United Democratic Party (UDP) won over the incumbent People's Progressive Movement (PPM), winning 9 of the then 15 seats in the Legislative Assembly. PPM won five seats, and an independent candidate secured one seat. As a result, McKeeva Bush, the leader of UDP, replaced Kurt Tibbetts as the Leader of Government Business (now known as the Premier). On 11 December 2012, Mr. Bush was arrested in connection with police investigations carried out under the Cayman Islands Anti-Corruption Law. According to the administering Power, efforts by his party to persuade him to step aside pending the completion of the investigations were unsuccessful. The Opposition brought a vote of no confidence to the Legislative Assembly on 18 December, which passed by a majority of 11 to 3, including five members of the Assembly from the ruling UDP. Following the required consultation under the Cayman Islands Constitution Order 2009, the Governor revoked Mr. Bush's appointment as Premier and appointed Ms. Juliana O'Connor Connolly on 19 December. A new ministerial team was also sworn in. Heading a minority government, Ms. O'Connor Connolly is expected to act as Premier until the elections to be held in May 2013.

4. The judiciary consists of a Summary Court (including the Youth Court), a Grand Court and a Court of Appeal. The Summary Court has civil and criminal jurisdiction. Appeals from the Summary Court lie to the Grand Court, which is a superior court of record and administers the common law, the law of equity of England and locally enacted and applied laws. Appeals from the Grand Court lie to the Court of Appeal, composed of a president and not less than two judges. Further appeal lies, in certain circumstances, to the Judicial Committee of the Privy Council in London.

5. As previously reported, in 2011, the Cayman Islands Review Committee, issued a report entitled "United Kingdom and Cayman Islands Relationship Review". Among the central issues raised during the consultative exercise was a desire to enhance the relationship between the Cayman Islands and the United Kingdom in new and mutually beneficial ways with a view to achieving more local autonomy, while at the same time establishing a relationship that effectively built in the necessary controls and allowed for sustained support from the United Kingdom, for instance when the Territory came under pressure from the international financial community.

II. Budget

6. According to the United Kingdom, the Territory's 2012/13 budget document forecasts total operating revenues of CI$ 649.4 million and total operating expenses of CI$ 567.2 million. Unaudited financial results indicated that during the financial year ending on 30 June 2012, the territorial Government registered a net deficit of CI$ 10.3 million, compared with CI$ 23.4 million for the previous financial year.

7. As previously reported, in 2011, the United Kingdom and the Cayman Islands signed a framework for fiscal responsibility that commits the Territory to prudent and transparent fiscal management through effective medium-term planning, putting value-for-money considerations at the heart of the territorial Government's decision-making and delivering improved accountability in all public sector operations. Following negotiations between the territorial government and the United Kingdom, the framework came into domestic law on 15 November 2012.

8. The Cayman Islands is a jurisdiction with no direct individual or corporate income tax. The principal sources of Government revenue are import duties, financial services, fees and stamp duties. In early 2013, a consensus across the political spectrum emerged regarding the need to reduce fees to ease the economic burden placed on both the business community and the consumer through a reduction in the size of government and its services.

III. Economic conditions

A. General

9. The Cayman Islands has one of the highest standards of living in the Caribbean. The economy is based on the provision of financial services, the dominant sector in the economy, and tourism. There are no commercial fisheries. The Economist Intelligence Unit estimated the Territory's gross domestic product (GDP) for 2012 to be approximately $3.3 billion. According to the Cayman Islands semi-annual economic report, in the first half of 2012 the Territory's economy grew by 1.2 per cent, and imports rose by 1.2 per cent, indicating a mild economic recovery. In late 2012, the Territory faced a number of economic challenges, including slow growth, a stagnant offshore sector and relatively high unemployment.

10. According the administering Power, with the passage of the Special Economic Zone Law in 2011, Cayman Enterprise City became the Territory's first special economic zone. The zone is creating economic diversification, inward investment and job opportunities. In addition, Health City Cayman Islands, scheduled to accept its first patients in 2014, is expected to introduce medical tourism to the Islands, offering tertiary health care and educational opportunities, as well as employment options in diverse fields. In 2012, plans were submitted to the Government for a 132-acre, master-planned community to surround Health City Cayman Islands.

B. Financial services

11. The financial services sector accounts for approximately 42 per cent of the national GDP. Information in Oxford Analytica of July 2012 indicates that over 40 of the top 50 banks from 45 countries hold licences in the Territory. The financial services sector grew in 2011 and 2012, but activity remains somewhat below its 2008 level.

12. According to the Territory's 2012 semi-annual economic report, mutual funds rose by 15.5 per cent when compared to mid-year 2011. The increase is associated with the inclusion of master funds, in accordance with the Mutual Funds (Amendment) Law 2011. Total stock listings with the Cayman Islands Stock Exchange increased by 5.1 per cent by mid-year 2012, largely because of marked growth in primary equity and Eurobond listings. During the first half of 2012, new company registrations declined by 1 per cent compared to the previous year while the number of bank and trust companies licences decreased by 6 per cent.

13. Foreign corporations pay licence fees to operate in the Cayman Islands.

C. Tourism

14. According to the 2012 budget address, one of the key drivers for GDP growth in 2011 was increased demand for stay-over tourism services. Cayman Airways, along with other airlines, has opened new services from five cities over the past three years. International air services link the Territory to Canada, Cuba, Honduras, Jamaica, the United States of America and a number of countries in Europe. Domestic airline services and charters operate between the three islands.

15. According to the Cayman Islands annual economic report for 2011, overall tourist arrivals declined by 5.2 per cent. This overall figure was comprised of a 12.3 per cent reduction in cruise visitor arrivals, overshadowing the 7.2 per cent expansion in stay-over arrivals. A total of 1.7 million arrivals were reported, with some 309,000 tourists arriving by air in 2011.

16. In 2012, redevelopment projects began at the Charles Kirkconnell (formerly Gerard Smith) International Airport. Other initiatives included a proposal to establish a hospitality institute.

D. Agriculture

17. In 2012, the primary strategic goal of the Territory's Department of Agriculture continued to be the enhancement of national food security through increased domestic production within targeted segments of the agricultural sector where comparative advantages exist for local producers. Through the provision of agronomic and technical advice, these efforts resulted in the modest expansion of the protected agricultural area to an estimated 2.6 acres.

18. According to government information, the sector contribution to GDP declined by 6.9 per cent from CI$ 8.7 million in 2010 to CI$ 8.1 million in 2011. Despite this decline, domestic demand for local produce and meats remained strong, both among consumers and in the restaurant sector. Farmers increased interaction with the

tourism sector, in terms of the number of restaurants and hotels purchasing locally produced agricultural products.

E. Infrastructure

19. According to territorial government information, construction dramatically declined in the first half of 2012. The value of building permits declined by 11.6 per cent, while their number grew by 5.8 per cent, with project approvals increasing by 11.4 per cent, to 431.

20. The road network of the Cayman Islands comprises approximately 785 km of roadways, the majority of which are located in Grand Cayman. As previously reported, in 2011 the Government reconstructed 3.3 km of urban collector roads, resurfaced 1 km of primary arterial road and undertook major maintenance or rehabilitation on 85 district roads. The port of George Town is the main gateway for cruise ships.

F. Telecommunications and utilities

21. As a leading international business centre, the Cayman Islands is dependent on telecommunications and utility services. Five telephone companies provide fixed and/or mobile voice and data services, and there are 15 FM radio broadcasting stations and one television broadcaster. According to official statistics, as at 30 June 2012 the total number of fixed and mobile telephone lines in service had decreased by 2.8 per cent to approximately 129,500.

22. On Grand Cayman almost all power generation is reliant on imported diesel, where the Caribbean Utilities Company has a non-exclusive licence for electricity and for its transmission and distribution. On Cayman Brac and Little Cayman, the Cayman Brac Power and Light Company has exclusive licences.

23. In 2011, the Caribbean Utilities Company served 22,731 residential and 3,905 commercial customers. According to the Territory's annual economic report, both electricity and water consumption by residential and commercial consumers fell during the first half of 2012, in the midst of rising utility prices.

IV. Social conditions

A. General

24. According to official statistics, nearly 9,000 people received some type of financial assistance from public sector social services agencies by the end of 2011, a clear increase over the nearly 8,000 in 2010. The Territory's August 2012 compendium of statistics indicates that levels of assistance provided in almost every social welfare category by the Department of Children and Family Services increased between 2010 and 2011.

B. Labour and immigration

25. According to the Cayman Islands annual economic report for 2011, the estimated labour force comprised 37,620 persons, including 2,353 unemployed. The labour supply in the financial, construction, retail and office sectors continues to be essentially demand-driven, with some 50 per cent of the demand being met through expatriate workers. Semi-annual data for 2012 indicate that work permits grew by 1.27 per cent settling at 20,158. According to information provided by the administering Power, the foreign worker population hails mostly from Jamaica, the Philippines, the United Kingdom and the United States. The leading occupational groups include: domestic helpers/caregivers; general labourers/cleaners; service and sales industry; professional services; and the craft/trade industry.

26. A major pension reform was undertaken in 2012 to address deficiencies in the legislation, regulation and enforcement of pension regimes in the private sector. A new pensions bill had its first reading in the Legislative Assembly in August 2012, and, in May 2012, the Department of Labour and Pensions was established as a one-stop shop for labour and pensions compliance and enforcement matters. The Department incorporates the enforcement and compliance functions for labour and pensions formerly delivered by the Department of Employment Relations and the National Pensions Office, respectively. A National Workforce Development Agency, established in May 2012, assumed the functions of job placement, training and labour market statistics formerly held by the Department of Employment Relations.

27. According to the administering Power, comprehensive changes to the Territory's immigration law took effect in 2012, including the establishment of two new long-term residency categories for persons of independent means, and a new facility to allow a foreign national to work in the Cayman Islands for short periods of 1 to 5 days. This was introduced in the form of a visitor's work visa.

28. Moreover, in relation to part I of the Constitution Order 2009 (the Bill of Rights, which came into effect in November 2012), training sessions were held to provide immigration officers with a basic awareness and understanding of the Bill of Rights as an element of the Constitution. A broad review of internal policies and best practice/protocols in the field of immigration was also carried out.

C. Education

29. Education is compulsory for all resident children between 4 and 16 years of age. The public education system caters to about two thirds of Caymanian children, with the remainder attending fee-paying schools. Tuition is free for Caymanians at the public primary and high schools. Private schools also provide primary and/or secondary education and are monitored by the territorial Government.

30. Two public and two private institutions provide tertiary education. The University College of the Cayman Islands is owned by the territorial Government and administered independently. The Cayman Islands Law School, affiliated with the University of Liverpool in the United Kingdom, is also Government-owned. The International College of the Cayman Islands and St. Matthew's University are private. Citizens from the Overseas Territories benefit from the home student fee rate at British universities.

31. According to the administering Power, the Territory's Education Stabilization Plan, launched in January 2011, began to deliver results in 2012, with substantial year-on-year improvements in students graduating from government high schools, considerable advancements in early childhood care and education and better interventions for the most vulnerable student groups. The Cayman Islands has also made significant improvements to schools' physical plans, at both secondary and primary levels, with the completion of the Clifton Hunter High School and new classroom blocks at four of the largest government primary schools for the 2012/13 school year.

32. A five-year strategic plan for education was finalized in December 2012, following broad consultation with the general public. It provides a comprehensive road map for future developments under six strategic goals: (a) strengthen leadership and build national capacity; (b) build a world-class early childhood care and education system; (c) secure high standards and improve student progress and achievement; (d) build safer schools communities and promote inclusion; (e) enhance skills for learning, life and work; and (f) engage parents as partners in their children's learning.

D. Public health

33. The Territory's Health Services Authority is responsible for the provision of all public health care. In addition to general medical care, a wide range of specialist services is locally available. Health practice councils are responsible for the registration of all health practitioners. There is one 124-bed government-run hospital, which includes an emergency room, and the private 18-bed Chrissie Tomlinson Memorial Hospital, both in George Town. There is also an 18-bed government-run hospital on Cayman Brac, as well as several district health centres and clinics throughout the Territory. According to the administering Power, the territorial Government spent CI$ 95 million on health care in the 2011/12 financial year.

34. Health insurance is compulsory in the Cayman Islands. The Cayman Islands National Insurance Company provides health insurance for about 13,000 customers, including: civil servants; pensioners; other government entities; seamen, veterans and their dependants; the Company's employees; low-income residents; residents with impaired health status; and the elderly. In 2012, amendments to the health insurance regulations to increase the mandatory minimum level of benefits were approved in the Legislative Assembly, with implementation to start in 2013.

35. The United Kingdom Overseas Territories Joint Ministerial Council communiqué dated 5 December 2012, inter alia, expressed agreement between the Government of the United Kingdom and the representatives of the Territories present, including the Cayman Islands, on the importance of health security and on compliance with the requirements of the International Health Regulations, an international legal instrument binding on 194 countries, including all member States of the World Health Organization, by June 2014. In addition, the participants agreed to identify and make use of all available sources of assistance, in particular from regional and global health organizations such as the Pan American Health Organization and United Nations agencies, to share best practice on health strategies and processes, with special emphasis on treatment and care of non-communicable

diseases, and to improve representation of the Territories and linkages with global and regional health bodies.

E. Crime and public safety

36. The approximately 465-strong Royal Cayman Islands Police Service is headed by a Commissioner, who reports to the Governor. According to the administering Power, between 2008 and 2011, the Cayman Islands has seen a slow increase in number of serious and violent crimes. There have been 28 murders, of which 19 involved the use of firearms. These offences primarily featured the involvement of young persons between the ages of 17 and 35 who were suspected to be connected in some way to gang-type activity.

37. In response to the increased occurrences of serious and violent crime, the Police Service has implemented a three-pronged approach to addressing and mitigating the growing problem. The approach, consisting of intelligence gathering, prevention and early intervention, and enforcement, appears to be having a positive impact on the management of crime. The Police Service continues to maintain a close working relationship with international law enforcement partners, including the Royal Canadian Mounted Police, the United States Bureau of Alcohol, Tobacco, Firearms and Explosives, the United States Drug Enforcement Agency and the Merseyside Police of the city of Liverpool, United Kingdom.

38. For the period of 2011 through 2012, the Territory's Prison Service underwent a restructuring process to reduce costly recidivism rates by improving pre-release services, including positive links to the community. For its part, the Department of Community Rehabilitation utilized certified staff to provide risk/needs assessments in order to reliably inform and guide the work of the Courts and the Parole Board and to assist in the preparation of community-level supervision plans. According to media reports, in 2012 prison inspectors of the United Kingdom Government identified a number of shortcomings inside two jails, Northward and Fairbanks, including decrepit cells, endemic drug use and high levels of victimization, as matters to be addressed by the territorial Government.

39. In November 2012, the Ministry of Community Affairs, Gender and Housing launched a National Committee on Gender and Family Violence to establish a national level entity, consisting of a cross-section of key stakeholders which will be able to: (a) bring a holistic focus to issues such as gender violence, family violence, child abuse, sexual assault, rape, sexual harassment and stalking; and (b) harness expertise and provide recommendations to the Government with regard to the development of policies, procedures, legislation, training, public education and other responses to the aforementioned issues.

40. The Cayman Islands Monetary Authority is the body responsible for monitoring compliance with international financial standards in the Territory and reporting findings to the territorial Government on a regular basis. In accordance with the Territory's Anti-Corruption Law, an Anti-Corruption Commission was established in 2010. As detailed in paragraph 3 above, in December 2012 the former Premier was arrested and interviewed under the Anti-Corruption Law.

F. Human rights

41. The Territory is subject to several major human rights conventions to which the administering Power has acceded, including the European Convention on Human Rights. The Treaties and Conventions Unit within the Attorney General's Chambers oversees the extension of the international human rights instruments to the Cayman Islands and is responsible for the preparation of periodic reports for submission to the relevant bodies that monitor the implementation of the provisions of other human rights instruments, including the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights and the Convention on the Rights of the Child.

42. In accordance with the provisions of the Cayman Islands Constitution Order 2009, the Territory established the Human Rights Commission, with responsibilities that include receiving and investigating complaints of breaches or infringement of any right or freedom contained in any human rights treaty in force in the Islands. The Commission does not, however, have the authority to represent or provide representation to parties to litigation in which human rights issues may arise, act in a judicial capacity or make binding determinations upon any matter.

43. Part 1 of the 2009 Constitution Order setting out the Bill of Rights, Freedoms and Responsibilities came into effect on 6 November 2012, with the exception of the provisions relating to the segregation of prisoners, which will come into effect in late 2013. According to the administering Power, the rights contained therein, which are based on those in the European Convention for the Protection of Human Rights and Fundamental Freedoms, are justiciable before the local courts. Prospective claimants are no longer confined to seeking redress for human rights violations before the European Court of Human Rights.

44. On 31 January 2012, the Gender Equality Law 2011 took effect and a five-person Gender Equality Tribunal was established to hear and determine discrimination complaints. The law seeks to eliminate discrimination in employment, training and recruitment on the basis of sex, marital status, pregnancy or gender and to promote the payment of equal remuneration to male and female employees who perform work of equal value. The law also aims to protect against discrimination in other areas, such as access to goods, services and facilities, as well as discrimination through job advertisements, application forms and interviews. Issues such as discrimination by professional partnerships, qualifying and vocational training bodies and employment agencies, as well as sexual harassment in the workplace, are also addressed within the legislation.

45. According to the administering Power, the Children's Law of 2003 and the Children's (Amendment) Law of 2009 were implemented in July 2012. The primary aim of the 2003 law is to embody, at a domestic level, certain articles and provisions of the United Nations Convention on the Rights of the Child. The law also provides for the granting of parental responsibility to step-parents and unmarried fathers. The 2009 amendment to the law provides for the mandatory reporting of suspected cases of child abuse or neglect. In 2013, training is expected to be undertaken for all front-line practitioners on the new law.

46. According to *Human Rights and Democracy: The 2011 Foreign & Commonwealth Office Report*, issued in 2012, the protection and promotion of human rights in each territory is primarily the responsibility of the territorial

government while the Government of the United Kingdom is ultimately responsible for ensuring the territories fulfil their obligations arising from international human rights treaties that have been extended to them.

V. Environment and disaster preparedness

47. The Planning Department and the National Scientific Research Council work along with other agencies to ensure that the Territory's natural resources are preserved and protected. Hazard Management Cayman Islands, a government agency, has overall responsibility for the Territory's hazard management programme, including preparedness, response, mitigation and recovery. An annual hurricane exercise is conducted prior to the start of the hurricane season, which runs from 1 June to 30 November.

48. According to the administering Power, recreational and artisanal fishing in the shallow waters around the Islands represent a significant threat to Cayman's marine environment. In 2012, the review of the Territory's marine parks system was completed and an enhanced system of marine parks has been developed which, if approved by the Cabinet, will put between 40 per cent and 50 per cent of the Islands' shelf area under protection in "no take" reserves and once again place the Territory at the forefront of marine conservation initiatives throughout the region and in the world. The Department of Environment is currently engaged in an extensive public consultation exercise aimed at inviting public input on the specifics of the marine parks proposals.

49. For its part, the Department of Agriculture has continued to place increasing emphasis throughout 2012 on the protection of the agricultural sector from the introduction of invasive alien species that could negatively impact crop and livestock production, as well as national flora and fauna and public health. To that end the Department worked and trained with the Caribbean Plant Health Directors Forum and the Caribvet network.

VI. Relations with international organizations and partners

50. The Cayman Islands is an associate member of the Economic Commission for Latin America and the Caribbean and of the United Nations Educational, Scientific and Cultural Organization and a member of the Universal Postal Union. The Cayman Islands also participates in the work of the Caribbean Community as an associate member and is a member of the Caribbean Development Bank and the International Olympic Committee.

51. As a Non-Self-Governing Territory of the United Kingdom, the Territory is associated with but not a part of the European Union. The Cayman Islands is not eligible for territorial allocations either under the ninth or the tenth European Development Fund. However the Territory is eligible for non-programmed aid. A project costing approximately 4.5 million euros, financed from the ninth European Development Fund for a digital early warning system to fill in a gap in the regional radar system, is expected to be completed in 2013.

52. In December 2012, the Overseas Territories Joint Ministerial Council also reached agreement between the Government of the United Kingdom and the

representatives of the Territories present at the meeting, including the Cayman Islands, to work together, inter alia, to develop greater links with the United Nations and its agencies and regional partners, particularly in the Caribbean, and expressed the belief that the Special Political and Decolonization Committee should delist Territories where this was their wish (https://fco-stage.fco.gov.uk/resources/en/pdf/uk-ot-communique.pdf).

VII. Future status of the Territory

A. Position of the territorial Government

53. Information on the position of the territorial Government regarding the future status of the Cayman Islands is contained in paragraph 5 above.

B. Position of the administering Power

54. On 11 October 2012, the representative of the United Kingdom made a statement before the Special Political and Decolonization Committee (Fourth Committee) during the sixty-seventh session of the General Assembly. According to the record of the meeting (A/C.4/67/SR.5), the representative stated, inter alia, that the Government of the United Kingdom maintained its long-standing position on independence for the Territories. Any decision to sever the constitutional link between the United Kingdom and a Territory should be taken on the basis of the clear and constitutionally expressed wish of the people of that Territory. Where independence was an option, and where it was the clear and constitutionally expressed wish of the people to pursue independence, the Government of the United Kingdom would meet its obligations to help the Territory to achieve it.

55. Further, the representative referred to the White Paper that the United Kingdom Government had published in June 2012, confirming its commitment to maintaining the overall relationship between the United Kingdom and the Territories. In the introduction, the Government expressed the belief that the fundamental structure of the constitutional relationships was the right one: powers were devolved to the elected governments of the Territories to the maximum extent possible, consistent with the retention by the Government of the United Kingdom of the powers necessary to discharge its sovereign responsibilities, including to ensure that constitutional arrangements work effectively to promote the best interests of the Territories and of the United Kingdom. The Government recognized that it was important to continue to reflect on the constitutional relationship and that it would ensure that a dialogue on these issues was sustained with all those Territories that wished to engage in it.

56. The representative went on to say that the 2012 White Paper had made it clear that the fundamental responsibility and objective of the Government of the United Kingdom was to ensure the security and good governance of the Territories and their peoples. That responsibility flowed from international law, including the Charter of the United Nations. But being an Overseas Territory of the United Kingdom also entailed responsibilities. The Government of the United Kingdom expected territorial Governments to meet the same high standards as it did in maintaining the rule of law, respect for human rights and integrity in public life, delivering efficient

public services and building strong and successful communities. The Government would take firm and resolute action wherever there was evidence of corruption or maladministration in a Territory. The representative concluded that the relationship between the United Kingdom and its Overseas Territories continued to be a modern one, based on partnership, shared values and the right of each Territory to determine whether it wished to stay linked to the United Kingdom or not. For as long as the Overseas Territories wished to retain the link to the United Kingdom, the Government of the United Kingdom would remain committed to their future development and continued security.

C. Action taken by the General Assembly

57. On 18 December 2012, the General Assembly adopted, without a vote, resolutions 67/132 A and B based on the report of the Special Committee (A/67/23) and the subsequent recommendation by the Fourth Committee. Section V of General Assembly resolution 67/132 B, concerning the Cayman Islands, reads as follows:

> "1. *Welcomes* the desire, reflected in the Cayman Islands Review Committee report of 2011, to enhance the relationship between the Territory and the administering Power in mutually beneficial ways, with a view to creating more local autonomy, and stresses the important work of the Constitutional Commission, including on human rights education;
>
> "2. *Requests* the administering Power to assist the Territory by facilitating its work concerning public awareness outreach efforts, consistent with Article 73 *b* of the Charter of the United Nations, and, in this regard, calls upon the relevant United Nations organizations to provide assistance to the Territory, if requested;
>
> "3. *Welcomes* the active participation of the Territory in the work of the Economic Commission for Latin America and the Caribbean;
>
> "4. *Also welcomes* the efforts made by the territorial Government to implement financial sector management policies, medical and sports tourism initiatives and unemployment alleviation programmes in various economic sectors, including agriculture and the private sector."

United Nations A/AC.109/2013/9

General Assembly

Distr.: General
1 March 2013

Original: English

Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

British Virgin Islands

Working paper prepared by the Secretariat

Contents

		Page
	The Territory at a glance	3
I.	Constitutional, political and legal issues	4
II.	Budget	5
III.	Economic conditions	5
	A. General	5
	B. Financial services	5
	C. Tourism	5
	D. Agriculture and fisheries	6
	E. Communications and infrastructure	6
IV.	Social conditions	7
	A. Labour and immigration	7
	B. Education	7
	C. Public health	8
	D. Crime and public safety	8

Note: The information contained in the present paper has been derived from public sources, including those of the territorial Government, and from information transmitted to the Secretary-General by the administering Power under Article 73 *e* of the Charter of the United Nations. Information was transmitted by the administering Power on 21 December 2012. Further details are contained in previous working papers available from www.un.org/en/decolonization/workingpapers.shtml.

13-24521 (E) 130313

Please recycle

E. Human rights 10
V. Environment 10
VI. Relations with international organizations and partners 11
VII. Future status of the Territory 11
A. Position of the territorial Government 11
B. Position of the administering Power 12
C. Action by the General Assembly 12

The Territory at a glance

Territory: The British Virgin Islands is a Non-Self-Governing Territory under the Charter of the United Nations administered by the United Kingdom of Great Britain and Northern Ireland.

Representative of administering Power: Governor William Boyd McCleary (August 2010).

Geography: Located approximately 100 km east of Puerto Rico and 25 km from the United States Virgin Islands, the Territory comprises a group of some 50 islands, islets and cays that form an archipelago with the United States Virgin Islands. Twenty of the islands are inhabited. The major islands are Tortola, Virgin Gorda, Anegada and Jost Van Dyke.

Land area: 153 km².

Exclusive economic zone: 80,117 km².[a]

Population: 28,103 (2011 estimate), of which some 40 per cent are citizens, or "belongers". The great majority of "non-belongers" hail from countries in the region, North America and Europe.

Language: English.

Capital: Road Town, located on the largest island, Tortola.

Head of territorial Government: Premier Daniel Orlando Smith.

Main political parties: National Democratic Party; Virgin Islands Party.

Elections: Most recent — November 2011; next — December 2015.

Legislature: 15-member unicameral House of Assembly.

Gross domestic product per capita: $32,579 (2011 estimate).

Economy: Financial services and tourism.

Main trading partners: The United States of America, the United Kingdom and the Caribbean Community (CARICOM).

Unemployment rate: 3.1 per cent.

Monetary unit: United States dollar.

Brief history: The earliest known inhabitants of the Territory were the Arawaks and the Caribs, indigenous peoples of the region. The Dutch established the first permanent European settlement in 1648. British planters took control of the islands in 1666 and the Territory attained the status of a British colony.

[a] Exclusive economic zone data from "Sea around Us" Project, a collaboration between the University of British Columbia and the Pew Environment Group (www.seaaroundus.org).

I. Constitutional, political and legal issues

1. Under the Virgin Islands Constitution Order 2007, the British crown appoints a Governor with responsibilities for defence, internal security, external affairs, public service and the administration of the courts. In the areas of internal security and external affairs, the Constitution provides for the territorial Government to have formal input. There is a reservation for the British crown to make laws for the peace, order and good government of the Virgin Islands. In terms of external relations, the British Virgin Islands is entrusted to negotiate treaties in specific areas such as certain offshore financial matters.

2. The 2007 Constitution led to the introduction of a cabinet-style Government. The Cabinet consists of the Premier, appointed by the Governor from among the elected members of the House of Assembly; four other Ministers, appointed by the Governor on the advice of the Premier; and one ex officio member — the Attorney General. The Governor attends and presides over the Cabinet. The agenda is agreed by the Cabinet Steering Committee, consisting of the Governor, the Premier and the Cabinet Secretary. The House of Assembly consists of a Speaker, the Attorney General (ex officio) and 13 elected members — 9 from one-member electoral districts and 4 representing the Territory at large.

3. General elections must be held at least once every four years. Candidates are elected on the basis of a simple majority. Persons voting must be 18 years of age or over and have "belonger" status. Belonger status includes the right to work without a permit and the right to vote. In practice, a person must reside continuously in the Territory for 20 years before he or she may apply for permanent residence and, subsequently, belonger status. In the general election held on 7 November 2011, the National Democratic Party, at that time the opposition party, won a majority of seats — 9 out of 13. Its leader, Daniel Orlando Smith, became the new Premier. The Virgin Islands Party won the remaining four seats.

4. The law of the British Virgin Islands comprises the common law of England, locally enacted legislation and imperial legislation. Justice is administered by the Saint Lucia-based Eastern Caribbean Supreme Court, which consists of the High Court of Justice and the Court of Appeal. According to the administering Power, there are three resident High Court judges and a visiting Court of Appeal, which comprises the Chief Justice and two judges of appeal and sits twice a year in the Territory. There is also a magistrates court, which hears prescribed civil and criminal cases, as well as a juvenile court and a court of summary jurisdiction. The United Kingdom Privy Council is the final court of appeal. The British Overseas Territories Act 2002 provides for the granting of British citizenship to "British Overseas Territory citizens".

5. Speaking at the Pacific regional seminar held in Quito from 30 May to 1 June 2012, the representative of the British Virgin Islands stated that the Territory's position was to maintain its current relationship with the administering Power, built on mutual respect and a mature partnership, as the Territory continued to grow and generations of British Virgin Islanders attained higher levels of education.

II. Budget

6. According to the Government of the British Virgin Islands, the estimated expenditures of the Territory for 2011 amounted to approximately $260 million, including revenues of about $288 million. Expenditures and revenues for 2012 were estimated at $258 million and $287 million, respectively.

7. The Territory collects stamp duties on certain transactions and property taxes; however, there are no income, value added or goods and services taxes. According to the report issued in December 2011 by the Education International Research Institute on behalf of the Council of Global Unions entitled "Global Corporate Taxation and Resources for Quality Public Services", the British Virgin Islands is a jurisdiction with extremely low corporate taxes.

8. Several tax information exchange agreements have been signed by the British Virgin Islands, including with the United Kingdom. According to the administering Power, a tax agreement was signed with the Czech Republic in 2011.

III. Economic conditions

A. General

9. According to information provided by the United Kingdom, the two main pillars of the Territory are tourism and offshore financial services, which combined contribute over half of the gross domestic product (GDP). Tourism contributes just over 30 per cent of GDP, while financial services contribute approximately 20 per cent. According to the Economic Intelligence Unit, the GDP estimate for 2011 was $916 million, indicating nominal growth of 2.4 per cent, corresponding to 0.6 per cent of real growth. During his speech on the budget for 2013, the Premier announced that economic growth in 2012 had been estimated at 4 per cent in nominal terms (1.8 per cent in real terms). Imports consist mostly of food, machinery and fuel.

B. Financial services

10. According to media reports, approximately 2,900 hedge funds were registered with the British Virgin Islands Financial Services Commission in 2011. According to the aforementioned report issued by the Education International Research Institute, the British Virgin Islands is one of the world's largest corporate investors in China. According to Oxford Analytica, as at July 2012 the British Virgin Islands had a 45 per cent share of the international business company market. Information contained in *The Commonwealth Yearbook 2012* indicates that, as at mid-2009, some 405,870 internationai companies had been registered.

C. Tourism

11. In 2011, the Chamber of Commerce and the Hotel Association initiated a $100,000 advertising campaign aimed at attracting more visitors to the Territory. An amendment to the tourist board ordinance granted the tourist board limited authority

to raise funds through the sale of souvenirs and other merchandising items. In addition, the territorial Government increased the board's 2011 budget to approximately $15 million.

12. The tourism sector in the British Virgin Islands continued its efforts to appeal to the high-end traveller. Approximately 831,000 tourists visited the Territory, including some 484,000 cruise ship visitors, 336,000 overnight visitors and 9,000 other visitors. Mainly as a result of the global economic downturn, the Virgin Islands suffered a decline of 3.4 per cent in cruise ship visitors but recorded a growth of 2.0 per cent in overnight visitors. According to the Government of the Virgin Islands, the direct contribution of tourism to the Territory's GDP in 2011 was $277.9 million — about 30.4 per cent of the total. The Economist Intelligence Unit estimated tourism's direct contribution to have been 19.3 per cent in 2011; according to the World Travel and Tourism Council, it might have been as high as 52 per cent once all indirectly related activities are taken into account. In addition, the tourism sector was the source of about 4,000 jobs, accounting for 21.9 per cent of total employment in 2011.

D. Agriculture and fisheries

13. Agriculture and fishing account for about 1 per cent of the Territory's GDP. Most food requirements are met through imports. Around 800 ha of land are cultivated, and another 4,000 ha are devoted to pasture. The main crops are fruits and vegetables, produced both for local consumption and for export to the United States Virgin Islands.

14. The Territory's Fisheries Act of 1997 and Fisheries Regulations of 2003 govern small-scale commercial and recreational fisheries, which serve mainly the local market.

E. Communications and infrastructure

15. The British Virgin Islands has more than 200 km of surfaced roads. According to the 2011 Speech from the Throne, the Government of the British Virgin Islands decided to develop a road classification system to help ensure the progressive improvement of the road network.

16. There are three international airports, served by 15 airlines. Direct shipping services operate from the Netherlands, the United Kingdom and the United States. A deep-water harbour is located in Road Town. A regular ferry service links Tortola with some of the islands as well as with Saint Thomas in the United States Virgin Islands. According to the Speech from the Throne, the territorial Government will expand and improve the appearance and functionality of existing port facilities, notably through the building of a new ferry terminal at West End.

17. Physical planning in the British Virgin Islands is governed by the Physical Planning Act of 2004, under which all development in the Territory must be approved by the Physical Planning Authority. According to the 2011 Speech from the Throne, the Government of the British Virgin Islands has found that the absence of planning regulations has limited the effectiveness of the Act. Consequently, it is working on regulations that would replace the Land Development Control

Guidelines 1972 and address such areas as the procedures for environmental impact assessments, the regulation of the subdivision of land and the preservation of buildings and sites.

IV. Social conditions

A. Labour and immigration

18. Since 2009, the British Virgin Islands has experienced an average decline of 1.5 per cent in its employed population. In 2011, the employed population of the British Virgin Islands was 18,238 persons, of which 28 per cent were local workers and 72 per cent expatriate workers. The main employers are the territorial Government, financial services, wholesale and retail trade entities and the tourism and construction sectors. On average, an employed person in the Territory earned $24,328 in 2011. Based on the Government of the British Virgin Islands definition of a small business (seven or fewer employees), small businesses provided approximately 20 per cent of the jobs in the Territory.

19. Unemployment increased throughout 2010, particularly among youth. According to the 2011 Speech from the Throne, the development of a national youth policy is a priority of the territorial Government. According to media reports, in 2011 the Ministry of Education and Culture invited unemployed youth between the ages of 18 and 30 to register online with a youth unemployment register. The register is expected to help the Government assess the status of disadvantaged and unemployed youth and serve as a medium to support young workers while integrating youth into the labour market.

20. Work permit exemptions are granted by the territorial Government on the basis of enrolment in the school system — entrance at the primary level and completion at the secondary level — marriage to a belonger for a period of not less than three years and residency in the Territory of the British Virgin Islands for 20 years or more by a person who has demonstrated good character. The number of exemptions granted is considered on an annual basis.

B. Education

21. According to the 2011 Speech from the Throne, when the Education Act was passed in 2004, it was intended that related regulations would follow. Extensive consultations on such regulations were held with stakeholders for a review of recommendations in 2011/12. The regulations are expected to provide guidance to the education system and its stakeholders regarding the implementation of programmes and services, the monitoring of the delivery of education programmes operated under the Act, and the conduct of school supervision, including complaint investigations requested by the public.

22. Primary and secondary education is free and compulsory for children between 5 and 16 years of age, and "A-level" education is also free. There are public and private primary and secondary schools on Tortola, Anegada, Virgin Gorda and Jost Van Dyke. According to the Government of the British Virgin Islands, in 2011 the Territory's secondary-school enrolment rate was between 80 and 90 per cent. The

comprehensive H. Lavity Stoutt Community College at Paraquita Bay offers university-parallel, technical-vocational and adult continuing education programmes.

C. Public health

23. According to the Government of the British Virgin Islands, infant mortality is very low and life expectancy is high, at about 80 years. The Health Services Authority of the Territory, an autonomous corporate body, was established in 2005 to manage all public health-care delivery services for the Ministry of Health and Social Development.

24. According to media reports, in 2011 the design of the national health insurance system was under way, with three phases already completed. The Cabinet had decided that the system would be administered as a new division of the Social Security Board.

25. According to the 2011 Speech from the Throne, the territorial Government recognized the need to improve the standard and delivery of mental health services throughout the Territory. To that end, a review of the mental health system was conducted in the light of modern advances in the field of psychiatry and relevant international human rights commitments and obligations, with assistance from the Pan American Health Organization.

26. The United Nations Children's Fund provides general background information with respect to the British Virgin Islands in its draft Eastern Caribbean multi-country programme document.

27. In a communiqué of the Joint Ministerial Council dated 5 December 2012, the political leaders and representatives of the United Kingdom and overseas territories, including the British Virgin Islands, agreed on the importance of health security and on achieving compliance with the requirements of the International Health Regulations of the World Health Organization by June 2014. They also agreed to identify and make use of all available sources of assistance, in particular from regional and global health organizations such as PAHO and United Nations agencies, to share best practices on health strategies and processes, with special emphasis on the treatment and care of non-communicable diseases, and to improve representation of the Territories and linkages with the work of global and regional health bodies.

D. Crime and public safety

28. According to the United Kingdom, crime has been rising in line with the population over the past six years; this trend continued in 2012, possibly owing to other factors. An increase in domestic violence may account for some of this increase, as there is now a greater emphasis on enforcement and thus on recording as a result of new legislation and a new policy. Increases in cases of "domestic burglary" and "theft from vehicle" are in line with the likely impact of the economic downturn and increased unemployment on acquisitive crime in general. Together, these factors may account for the continued rise in reported crime despite the small decrease in the population reported in 2012. It is certainly the case that reports of crime, although on the increase, are increasing at a lower rate than they have during the past six years.

29. With the support of the Royal Virgin Islands Police Force, the problem is being addressed by the territorial Government. The Police Force has produced a three-year strategic plan that aims to ensure that the Territory remains "the safest environment in the Caribbean". In addition to undertaking a huge training programme aimed at increasing professionalism, technical knowledge and ability and at improving the standards of management and supervision, the Police Force has been working towards greater community integration and involvement through neighbourhood policing. At the same time, the Police Force has been exploring innovative ways of improving public safety generally by considering a Territory-wide public safety camera scheme, the electronic tagging of offenders and an improved system for the handling of detained persons by the Police Force.

30. Working with the Governor and the Premier, the Police Force has engaged in a process of consultation with a view to delivering a community safety and crime reduction strategy early in 2013. Led by the Office of the Governor and assisted by members of the Police Force, this widespread consultation is taking place across all sectors of the community, seeking views and gaining community involvement. Ultimately, it is proposed that a multi-agency approach will be adopted for coordinating all aspects of government with community groups and other non-governmental organizations to create collective responsibility for community safety.

31. The drive to strengthen the criminal justice system continues, with the Territorial Government introducing several pieces of legislation in recent months. These include the Justice Protection Act and the Domestic Violence Act. Currently pending in the House of Assembly is the Police (Amendment) Act and the Authorization of Surveillance Devices Act. In addition, the codes of practice for the detention, treatment and questioning of detained persons by police officers have been drafted and are waiting submission to the Assembly.

32. Seven police officers from the United Kingdom (including the Acting Commissioner of Police) have been contracted. All the officers except the Acting Commissioner have been selected to work in specialist areas in the Territory, alongside their local counterparts, to help enhance skills and capabilities in various areas, including crime scene investigation, marine policing, covert operations, organizational development and murder investigation. An additional two specialists from the United Kingdom have been recruited recently, one of whom is a specialist in crime scene management and the other in technical surveillance. All of the currently contracted officers have assisted with the training courses undertaken over the past 18 months, which have culminated in a major skills-based promotion process and a train-the-trainer package intended to maintain momentum.

33. Since 2008, the British Virgin Islands has worked with the Caribbean Financial Action Task Force, an organization with 29 members, to implement common measures to address the problem of money-laundering and demonstrate the Territory's continuing commitment to maintaining an internationally robust legal and regulatory regime for combating money-laundering and the financing of terrorism. The Territory hosted the thirty-sixth plenary meeting of the Task Force, at which the Financial Services Commission and the Financial Intelligence Agency of the Territory agreed to the protocols and recommendations contained in the Financial Action Task Force's report of February 2012, entitled *International Standards on Combating Money Laundering and the Financing of Terrorism and*

Proliferation: The FATF Recommendations. The Police Force continues to work closely with these agencies, seeking to apply recommendations 30 and 31, which relate to law enforcement, and developing strategic intelligence in the field.

34. Working in partnership with the Serious Organised Crime Agency of the United Kingdom, the United States and other Caribbean law enforcement agencies, the Royal Virgin Islands Police Force has continued to tackle transnational serious organized crime that affects not only the Territory but also the region. Operations have resulted in the seizure of large quantities of illegal narcotics and arrests. At the fifth meeting of the Inter-Virgin Islands Council, the British Virgin Islands and the United States Virgin Islands signed a memorandum of understanding on sharing DNA data (see para. 44 below). Recent successful operations have resulted in important seizures of cocaine, cannabis and cash.

E. Human rights

35. In 2011, a national policy on gender equity and equality was developed. Some of the objectives include the education and change of public attitudes on gender roles and responsibilities and the development of new strategies to eliminate domestic and other forms of gender-based violence and discrimination in the Territory.

36. The following major human rights conventions have been extended to the British Virgin Islands: the International Covenant on Economic, Social and Cultural Rights, the International Covenant on Civil and Political Rights, the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, the Convention on the Rights of the Child, the International Convention on the Elimination of All Forms of Racial Discrimination, the Convention on the Elimination of All Forms of Discrimination against Women and the European Convention on Human Rights.

37. According to the information contained in *Human Rights and Democracy: the 2011 Foreign and Commonwealth Office Report*, issued in 2012, the protection and promotion of human rights in each territory is primarily the responsibility of the territorial government, while the Government of the United Kingdom is ultimately responsible for ensuring that the territories fulfil their obligations arising from international human rights treaties that have been extended to them.

V. Environment

38. The British Virgin Islands has acceded to several multilateral environmental agreements, including the Convention on International Trade in Endangered Species of Wild Fauna and Flora, the Convention on Biological Diversity and the Convention on Wetlands.

39. The Conservation and Fisheries Department of the Territory's Ministry of Natural Resources and Labour is responsible for the sustainable management of the Territory's natural resources. Adapting the Territory to climate change and the multiple threats it poses to terrestrial and marine life are important parts of the Ministry's mandate. Under the auspices of the Review of the Economics of Climate Change in the Caribbean project, the Department in 2011 hosted a technical training

workshop facilitated by the Economic Commission for Latin America and the Caribbean (ECLAC) on climate change and its economic impact on the marine and coastal areas of the British Virgin Islands. Under the Comprehensive Disaster Management Work Programme, a workshop was held in 2011 to develop climate-smart work programmes and to identify existing and alternative adaptation options for the Territory.

40. In January 2013, the Department for Environment, Food and Rural Affairs of the United Kingdom issued a paper entitled "The environment in the United Kingdom's overseas territories: UK Government and civil society support" on the advice and support available to the Territories in areas of its competency, and highlighted the availability of departmental funds for that purpose.

VI. Relations with international organizations and partners

41. The British Virgin Islands has associate membership in ECLAC, the International Labour Organization and the United Nations Educational, Scientific and Cultural Organization.

42. The Territory is an associate member of CARICOM, the Caribbean Common Market, and the Organization of Eastern Caribbean States and is a borrowing member of the Caribbean Development Bank. A joint observer mission was organized by CARICOM and the Commonwealth Parliamentary Association in connection with the 2011 general elections.

43. As a Non-Self-Governing Territory of the United Kingdom, the British Virgin Islands is associated with the European Union but is not a part of it.

44. In 2012, the Premier of the British Virgin Islands and the Governor of the United States Virgin Islands participated in the fifth meeting of the Inter-Virgin Islands Council, which was held in the United States Virgin Islands. Topics such as the development of clean energy resources, cultural preservation, educational and higher learning opportunities for young people, commercial fishing and marine regulations, combating crime and gangs, and the development of common interests in tourism were discussed. A memorandum of understanding on DNA evidence analysis was signed between the respective police departments.

45. In the communiqué of the Joint Ministerial Council of December 2012, the political leaders and representatives of the United Kingdom and overseas territories, including the British Virgin Islands, agreed to work together to further develop links with the United Nations and its agencies and regional partners, in particular in the Caribbean, and expressed the belief that the Decolonization Committee of the United Nations should delist Territories where this was their wish.

VII. Future status of the Territory

A. Position of the territorial Government

46. The position of the territorial Government regarding the future status of the British Virgin Islands is reflected above under section I on constitutional issues.

B. Position of the administering Power

47. On 11 October 2012, the representative of the United Kingdom made a statement before the Special Political and Decolonization Committee (Fourth Committee) during the sixty-seventh session of the General Assembly. According to the record of the meeting (A/C.4/67/SR.5), the representative stated, among other things, that the Government of the United Kingdom maintained its long-standing position on independence for the Territories. Any decision to sever the constitutional link between the United Kingdom and a territory should be taken on the basis of the clear and constitutionally expressed wish of the people of that territory. Where independence was an option and it was the clear and constitutionally expressed wish of the people to pursue independence, the Government of the United Kingdom would meet its obligations to help the Territory to achieve it.

48. Further, the representative referred to the white paper that the Government of the United Kingdom had published in June 2012 confirming the Government's commitment to maintaining the overall relationship between the United Kingdom and the territories. In the introduction, the Government expressed the belief that the fundamental structure of the constitutional relationships was the right one: powers were devolved to the elected Governments of the territories to the maximum extent possible consistent with the United Kingdom retaining powers necessary to discharge its sovereign responsibilities, including to ensure that constitutional arrangements worked effectively to promote the best interests of the territories and of the United Kingdom. The Government recognized that it was important to continue to reflect on the constitutional relationship and would ensure that a dialogue on these issues was sustained with all those territories that wished to engage.

49. The representative went on to say that in the white paper it had been made clear that the fundamental responsibility and objective of the Government of the United Kingdom was to ensure the security and good governance of the territories and their peoples. That responsibility flowed from international law, including the Charter of the United Nations. Being an overseas territory of the United Kingdom also entailed responsibilities, however. The Government of the United Kingdom expected territorial Governments to meet the same high standards as it did in maintaining the rule of law, respect for human rights and integrity in public life, delivering efficient public services and building strong and successful communities. The Government of the United Kingdom would take firm and resolute action wherever there was evidence of corruption or maladministration in a territory. The representative concluded that the relationship between the United Kingdom and its overseas territories continued to be a modern one based on partnership, shared values and the right of each territory to determine whether it wished to stay linked to the United Kingdom or not. For as long as the overseas territories of the United Kingdom wished to retain that link, the Government of the United Kingdom would remain committed to their future development and continued security.

C. Action by the General Assembly

50. On 18 December 2012, the General Assembly adopted, without a vote, resolutions 67/132 A and B, based on the report of the Special Committee (A/67/23) and the subsequent recommendation by the Fourth Committee. Section IV of

resolution 67/132 B concerns the British Virgin Islands. In the operative paragraphs of that section, the Assembly:

1. *Recalls* the Constitution of the British Virgin Islands, which took effect in 2007, and stresses the importance of continued discussions on constitutional matters, to accord greater responsibility to the territorial Government for the effective implementation of the Constitution and increased levels of education relating to constitutional matters;

2. *Requests* the administering Power to assist the Territory by facilitating its work concerning public outreach efforts, consistent with Article 73 *b* of the Charter, and in that regard calls upon the relevant United Nations organizations to provide assistance to the Territory, if requested;

3. *Welcomes* the efforts made by the Territory to strengthen its financial services and tourism sectors;

4. *Also welcomes* the active participation of the Territory in the work of the Economic Commission for Latin America and the Caribbean;

5. *Further welcomes* the holding, for the first time at the level of heads of territorial Government, on 12 May 2011, of the meeting of the Inter-Virgin Islands Council between the Territory and the United States Virgin Islands.

United Nations A/AC.109/2013/10

General Assembly

Distr.: General
4 March 2013

Original: English

Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

United States Virgin Islands

Working paper prepared by the Secretariat

Contents

		Page
	The Territory at a glance	3
I.	Constitutional, political and legal issues	4
II.	Budget	6
III.	Economic conditions	7
	A. General	7
	B. Tourism	7
	C. Manufacturing, construction and financial services	8
	D. Trade, transportation and utilities	8
	E. Agriculture and fisheries	9
IV.	Social conditions	9
	A. Labour	9
	B. Education	10
	C. Public health	10
	D. Crime and crime prevention	11

Note: The information contained in the present working paper has been derived from public sources, including those of the territorial Government and from information transmitted to the Secretary-General by the administering Power under Article 73 *e* of the Charter of the United Nations. Further details are contained in previous working papers, available from http://www.un.org/en/decolonization/workingpapers.shtml.

13-24818 (E) 200313

Please recycle

V. Environmental protection and disaster preparedness 11
VI. Relations with international organizations and partners 11
VII. Future status of the Territory 12
A. Position of territorial Government 12
B. Position of administering Power 12
C. Action taken by the General Assembly 12

The Territory at a glance

Territory: The United States Virgin Islands is a Non-Self-Governing Territory under the Charter of the United Nations. As an unincorporated, organized territory of the United States of America, it is administered by the Office of Insular Affairs of the United States Department of the Interior.

Geography: The Territory is located in the eastern part of the Caribbean Sea, 1,075 miles south-east of the south-eastern tip of the United States and 60 miles east of Puerto Rico. It is made up of four main islands: St. Croix, St. John, St. Thomas and Water Island. The capital, Charlotte Amalie, is located on St. Thomas.

Land area: 352 km^2.

Exclusive economic zone: 33,744 km^2.[a]

Population: 106,405 (2010 census).

Languages: English or English Creole (74.70 per cent); Spanish or Spanish Creole (16.78 per cent); French or French Creole (6.57 per cent); and other (1.95 per cent).

Capital: Charlotte Amalie.

Head of territorial Government: Governor John de Jongh.

Territory's delegate to the United States Congress: Congresswoman Donna Christensen, re-elected in 2012.

Main political parties: Democratic Party; Independent Citizen's Movement; Republican Party.

Elections: Last legislative elections held in November 2012; next elections to be held in 2014 (Governor).

National legislature: Unicameral (15 senators).

Gross domestic product (GDP) per capita: $39,876.

Economy: Tourism is the primary economic activity, accounting for 80 per cent of GDP and employment. The manufacturing sector consists of petroleum refining, rum distilling, textiles, electronics, pharmaceuticals and watch assembly.

Monetary unit: United States dollar.

Unemployment rate: 11.7 per cent (December 2012 estimate).

Brief history: The Islands were a Danish Territory from 1754 to 1917 (Danish West Indies). On 31 March 1917, the Government of Denmark transferred ownership to the United States. The United States Virgin Islands have since been an organized, unincorporated Territory of the United States.

[a] Exclusive economic zone data from the "Sea Around Us" project, a collaboration between the University of British Columbia and the Pew Environment Group (www.seaaroundus.org).

I. Constitutional, political and legal issues

1. The United States Virgin Islands is an organized, unincorporated Territory of the United States. Under the Organic Act of the Virgin Islands (1936), its revision in 1954, and subsequent amendments to the Revised Organic Act of 1954, the Territory has a Legislature, also known as the Senate, which is a unicameral body comprising 15 senators elected for a two-year term by popular vote. Executive power is vested in a Governor, who since 1970, has been elected by popular vote for a four-year term on the same ticket as the Lieutenant Governor. The Governor is limited to two consecutive terms. With the advice and consent of the Legislature, the Governor appoints the heads of the executive departments and has the power to approve or veto legislation and issue executive orders.

2. In the November 2010 gubernatorial election, John Percy de Jongh of the Democratic Party was re-elected Governor and Gregory Francis was re-elected Lieutenant Governor. Their terms of office will expire in November 2014, when the next elections are due to be held. The Territory elects a delegate to the United States House of Representatives, who is able to vote in committees. Democratic Party candidate Donna M. Christensen won the 2012 election and was re-elected to a ninth two-year term as the United States Virgin Islands delegate to the United States Congress. The Territory's senatorial election was held on 6 November 2012. Craig W. Barshinger remains Senator-at-large in the thirtieth Legislature of the United States Virgin Islands.

3. The Territory's judicial system has a District Court, a Superior Court and a Supreme Court, which became operational in January 2007. The Supreme Court of the Virgin Islands is the appellate court of the Virgin Islands that hears appeals decided by the Islands Superior Court. The establishment of the Supreme Court eliminates federal judicial involvement in purely local legal matters. In December 2012, United States President Barack Obama signed House of Representatives Bill No. 6116 authorizing direct review, by the United States Supreme Court, of decisions made by the United States Virgin Islands Supreme Court. The Bill was sponsored by Congresswoman Donna Christensen, the Territory's congressional delegate.

4. Since the Organic Act of the Virgin Islands was revised by the United States Government in 1954, there have been four attempts to replace it with a local constitution approved by the people of the Territory, which would organize the internal mechanisms of government. Although the United States Congress authorized the adoption of a local constitution in 1976 under United States Public Law 94-584, none of the four attempts made were successful.

5. As previously reported, on 26 May 2009 the Fifth Constitutional Convention adopted a proposed constitution of the United States Virgin Islands by a two-thirds vote. The text of the proposed constitution was submitted to the Governor on 31 May 2009. In a preamble and 19 articles, the 27-page text of the proposed constitution includes provisions on a bill of rights; principles, branches and subdivisions of government; Virgin Islanders; elections; education; youth; taxation, finance and commerce; economic development; public health, safety and welfare; culture; protection of the environment; referendums and recalls; and creation of a Political Status Advisory Commission.

6. In its article XVII, the proposed constitution states that a Political Status Advisory Commission with a term of office of three years should be created within two years of the adoption of the constitution. Moreover, after a year of public information on the status and federal relations options of (a) statehood, (b) free association and (c) independence, a special election would be held. The special election on status would be reserved for vote by "ancestral native" and "native" Virgin Islanders, as defined in article III of the proposed constitution, whether residing within or outside the Territory.

7. Article III of the proposed constitution states that an "ancestral native" Virgin Islander is a person or a descendant of a person who was born or lived in the Territory on or before 28 June 1932 and is not a citizen of any other country; a "native" Virgin Islander is a person or descendant born in the Territory after 28 June 1932.

8. Certain provisions of the proposed constitution have been a source of contention. For instance, under article VI, only "ancestral or native" Virgin Islanders are qualified to run for Governor and Lieutenant Governor. Also, under article XI, "ancestral native" Virgin Islanders would not have to pay certain property taxes. Moreover, in a letter made public, the Governor articulated that the most general and generous reading of the draft constitution showed it to be inconsistent with basic tenets of equal protection and fairness.

9. Speaking before the Special Political and Decolonization Committee (Fourth Committee) of the General Assembly on 22 June 2010, Gerard Luz Amwur James II, President of the Fifth Constitutional Convention of the United States Virgin Islands, said that the Governor had initially refused to forward the proposed constitution to the administering Power. However, in December 2009 he complied, following a ruling of the Territory's Superior Court.

10. On 26 February 2010, the President of the United States submitted the proposed constitution to Congress, endorsing the conclusions reached by the Department of Justice that several features of the proposed text warranted analysis and comment, including: (a) the absence of express recognition of United States sovereignty and the supremacy of federal law; (b) provisions for a special election on the territorial status of the United States Virgin Islands; (c) provisions conferring legal advantages on certain groups defined by place and timing of birth, timing of residency, or ancestry; (d) residence requirements for certain offices; (e) provisions guaranteeing legislative representation of certain geographic areas; (f) provisions addressing territorial waters and marine resources; (g) imprecise language in certain provisions of the proposed constitution's bill of rights; (h) the possible need to repeal certain federal laws if the proposed United States Virgin Islands constitution is adopted; and (i) the effect of congressional action or inaction on the proposed constitution.

11. According to the same statement made by the President of the Fifth Constitutional Convention before the Fourth Committee, in March 2010 a delegation of the Convention, led by him, held consultations with United States congressional officials. The officials expressed a major objection to the provision in the proposed constitution regarding the ownership by the people of the Territory of their marine resources. Another objection related to any meaningful reference to the native population and the provision of certain benefits. As a result, the United States

Congress asked the Convention to reconvene in order to consider the administering Power's objections to the proposed constitution.

12. The President of the Convention stressed that there was no provision in the proposed constitution to alter the status of the Territory and that it would not serve as the basis for removing it from the United Nations list of Non-Self-Governing Territories. The proposed constitution contains a relevant provision that would, upon adoption of the text, create a mechanism to examine future options with regard to political status.

13. On 11 September 2012, the Governor signed Act No. 7386 establishing and convening a body called the Fifth Revision Convention, formed by the 30 delegates elected to the Fifth Constitutional Convention along with five attorneys. The Fifth Revision Convention was convened on 1 October and mandated to ratify and approve, no later than 31 October, by a two-thirds majority vote of all the delegates, the final revised draft constitution consistent with the nine issues identified by the United States Federal Government (see para. 10 above). The Act established that if the Fifth Revision Convention agreed upon a proposed revised draft constitution by the deadline, the President of that body should have it submitted to the Governor and to the President of the United States. In case of non-adoption of the text, both the Fifth Constitutional Convention and the Fifth Revision Convention would be dissolved and the Legislature of the United States Virgin Islands would have full authority to address the Territory's constitution.

14. At the time of writing, however, the outcome of the Fifth Revision Convention remained unclear and surrounded by controversy. In January 2013, in his State of the Territory address, the Governor expressed the hope that the Territory would find "the means and courage that will lead us from the Organic Act to a Virgin Islands constitution".

II. Budget

15. In June 2012, the fiscal year 2013 executive budget for the Government of the United States Virgin Islands, totalling $695.8 million, was proposed by the Governor to the Legislature. In October 2012, the Governor signed the budget into law but vetoed one section of the bill.

16. In June 2011, the Legislature passed the Economic Stability Act, which included provisions seeking to reduce the salaries of all government employees in the executive and legislative branches, institute a hiring and rehiring freeze and provide a $10,000 retirement incentive to employees with over 30 years of service. The Governor signed the bill with some line-item vetoes. The pay cuts would be in place until 2013.

17. The United States Federal Government continued to provide funding for the Territory's budget, inter alia, through the American Recovery and Reinvestment Act. As at 31 December 2012, funds awarded amounted to $284,188,676, of which $194,169,902 had been received.

III. Economic conditions

A. General

18. According to the territorial Government, several factors continue to limit economic growth, including the frailty of the United States economy and the Government's budget deficit. The agricultural sector remains small while the financial services industry constitutes a growing component of the economy. There is also growth potential in the telecommunications sector, which is contingent on improved reliability and connectivity.

19. In October 2012, the United States Bureau of Economic Analysis released GDP estimates for the United States Virgin Islands for 2010 and revised estimates for 2002 to 2009. For the first time, it also included estimates of GDP and compensation by industry, and detailed consumer spending. Estimates for 2011 are planned to be released in 2013.

20. Since 2009, in a joint effort with the Office of Insular Affairs of the United States Department of the Interior, under the Statistical Improvement Programme, the Bureau of Economic Analysis has produced estimates with the aim of providing a comprehensive, objective measure of economic activity for the territories in order to support economic and financial decisions. According to the Bureau, the long-term goal of the joint effort is to integrate the United States Virgin Islands and the other territories into the estimates of national GDP and the national income and product accounts, which are essential in order to better understand the territorial economies. The United States Virgin Islands Bureau of Economic Research is coordinating efforts with the Bureau of Economic Analysis to improve the estimates of the territorial GDP and incorporate information from the Territory's 2012 economic census.

B. Tourism

21. Tourism, which accounts for 70 per cent of GDP, remains so far the main sector of the United States Virgin Islands economy. Its importance can be seen both in terms of direct employment and its impact on entrepreneurship and small business development. Approximately 2 million tourists visit the Islands annually, arriving by cruise ship and air. According to the United States Virgin Islands Bureau of Economic Research, the number of visitors arriving by air increased by 8.6 per cent between 2011 and 2012, totalling 737,650 in December 2012. Passengers arriving on cruise ships decreased by 5.2 per cent over the same period, reaching 1,904,468 visitors in late 2012. Hotel occupancy rates decreased by 3.4 per cent between January 2011 and August 2012. With a view to reinvigorating the tourism industry, the territorial Government expanded the cruise ship base in St. Thomas and brought cruise ships back to St. Croix on a regular basis. Air service and the capacity of airlines serving the Territory have also been expanded. Plans are under way to invest in hotel developments and increase the participation of private investors.

C. Manufacturing, construction and financial services

22. The manufacturing sector, which is the second largest sector in the economy, accounts for 5 per cent of total non-agricultural wage and salary employment. The number of manufacturing jobs averaged 2,091 in the first six months of fiscal year 2012, according to the Bureau of Economic Research. Refined petroleum products were the dominant commodities produced by this sector. Other major commodities include rum and watches.

23. According to a report from the United States Department of the Interior, Office of Insular Affairs, the closure of the Hovensa oil refinery on St. Croix in early 2012 (see A/AC.109/2012/8, para. 20), resulted in a large and abrupt loss in GDP, employment and tax revenues. GDP loss was estimated at $580 million a year or 12.9 per cent of an estimated total GDP of $4.5 billion. Closure of the refinery also led to an estimated total of $92 million in lost taxes and a direct employment loss of 2,471 positions, or 12.0 per cent of total employment in the Territory.

24. According to information from the United States Virgin Islands Bureau of Economic Research, a large percentage of manufacturing shipments come from rum production. Rum produced in the United States Virgin Islands is primarily exported to the United States and sold to local and regional bottlers for sale under a variety of private label and regional brand names. In the first half of the 2012 fiscal year, some 8.4 million proof gallons of rum were exported. The Territory received $70.1 million in excise taxes. In March 2012, the cover-over rate reverted back to $10.5 per gallon from $13.25.

25. Also according to data from the United States Virgin Islands Bureau of Economic Research, the total construction permit value, which measures future construction activity, decreased by 15.1 per cent between January 2011 and September 2012. Additionally, exports from the watch industry decreased by 6.5 per cent in the first half of fiscal year 2012.

D. Trade, transportation and utilities

26. In September 2012, the United States Department of Transportation awarded the Virgin Islands Port Authority (VIPA) a grant of $8.7 million to finance aviation projects at the Cyril E. King Airport on St. Thomas.

27. The United States Virgin Islands has approximately 1,250 km of roadways and some 65,000 registered vehicles. The Territory also enjoys one of the best natural deep-water harbours in the Caribbean and it is strategically located along the Anegada Passage, a key route for ships bound for the Panama Canal. The Territory has five major docking facilities, which can accommodate cruise ships and some naval vessels. Three of the docks are on St. Croix, namely South Shore, Gallows Bay and Frederiksted. The other two are on St. Thomas, namely, the facilities operated in Crown Bay by the Virgin Islands Port Authority, a semi-autonomous Government agency, and the Islands-owned West Indian Company.

28. The Virgin Islands Water and Power Authority (WAPA) is an autonomous governmental entity of the territorial Government that produces and distributes electricity and potable water to approximately 54,000 electrical and 12,000 potable water customers. The Territory is implementing a plan to reduce its dependence on

fossil fuels by 60 per cent over the next 15 years. WAPA is engaged in the Puerto Rico and United States Virgin Islands High Voltage Interconnection Project, interconnecting the two electrical power systems.

29. Owing to limited freshwater supplies, salt water is used extensively for non-domestic purposes, including fire fighting and sewage. A desalination plant on St. Thomas produces approximately 4.5 million gallons of water per day. Wells, particularly on St. Croix, supply the remainder of the freshwater necessary. Owing to the high cost of water, average daily consumption is about 50 gallons per person per day, about one third the United States average.

30. In terms of communications, the Territory has approximately 59,000 telephones, 8,700 Internet hosts (a computer connected directly to the Internet) and a number of radio and television broadcasting stations. In cooperation with the United States Department of Commerce, the Territory is working on a broadband project, expected to be completed by June 2013, with over $115 million federal, in kind and local cash contributions. The project will create over 300 construction jobs. When completed, over 45 public computer centres will be established or renovated with advanced information technology.

E. Agriculture and fisheries

31. Historically, sugar cane and, to a lesser extent, cotton were the main sources of revenue for the Territory's economy. Currently, the agricultural sector is very small and comprises mainly fruit and vegetable cultivation and cattle-raising.

32. In 2012, the Virgin Islands Department of Agriculture (VIDOA) continued its farmer-focused programmes and services and worked to complete and develop new projects. VIDOA received funding from the Agricultural Marketing Service of the United States Department of Agriculture to implement the Farmers' Market Nutrition Programme for the first time in the Territory. The Bordeaux Farmers Market and new irrigation facilities opened officially in February 2013. Other projects include the Young Agricultural Professionals Training Programme, the Virgin Fresh Marketing Campaign, and phase II of the Estate Bordeaux Farmers' Market, which is planned for completion in 2013.

IV. Social conditions

A. Labour

33. According to data from the United States Virgin Islands Bureau of Economic Research, civilian employment fell by 3.2 per cent between January 2011 and December 2012, for a net loss of 1,462 jobs. Unemployment averaged 11.7 per cent for 2012. According to the document on the executive budget for fiscal year 2013, locally funded programmes administered by the Virgin Islands Department of Labor continued to struggle for survival and federally funded programmes were funded at lower levels. The closure of the Hovensa plant in 2012 reduced the median household income and the average wage.

B. Education

34. Education in the United States Virgin Islands is compulsory and free for all children between 5 and 16 years of age. The Territory's Department of Education is comprised of a State Education Agency and two Local Education Agencies for the St. Thomas/St. John District and the St. Croix District. The St. Thomas/St. John District has 2 high schools, 3 middle schools and 10 elementary schools. The St. Croix District has 10 elementary schools, 3 middle schools and 2 high schools. The University of the Virgin Islands has campuses on St. Thomas and St. Croix and has a combined full- and part-time student body of 2,642 students.

C. Public health

35. The Virgin Islands Department of Health maintains facilities on St. Thomas, St. John and St. Croix. It also maintains a long-term care facility on the island of St. Thomas. Outreach efforts include educational, preventive and treatment services via clinics and subdivisions for maternal and child health, family planning, environmental health, sexually transmitted infections, HIV and tuberculosis, mental health and substance abuse. The Department administers 33 activity centres and 16 federal programmes under the auspices of the Office of the Commissioner and the divisions dealing with fiscal affairs, support services, public health services and health promotion and statistics.

36. In his 2013 State of the Territory address, the Governor noted that, with an ageing population, the Territory's health-care costs are rising each year, and the pension system, with an unfunded liability, has been underfunded for decades. A professional development system is being created and children's health fairs have been held for children in need of early intervention. Additionally, the territorial Government launched a "Text4Baby" campaign targeting pregnant women and mothers of newborns.

37. Priorities and indicators for the maternal, child and adolescent health population were identified following the Territory's Department of Health Needs Assessment for the 2010 to 2015 cycle. In that regard, the 2011 Maternal and Child Health Title V Block Grant application marked the beginning of a new five-year planning and implementation cycle. In accordance with the United States HIV/AIDS Treatment Extension Act signed in 2009, the Territory continued to receive important support for related programmes.

38. The United States Virgin Islands Health Information Exchange Strategic and Operational Plan, issued in January 2011 by the Territory's Department of Health, describes the path the Territory intends to follow to develop the capabilities of the Exchange to enable the meaningful use of electronic health records among providers and health-care providers. The Plan states, inter alia, that because of historical low federal funding for health care in the United States Virgin Islands due to its Territorial status, the Territory's health information technology infrastructure is relatively underdeveloped.

D. Crime and crime prevention

39. In his 2013 State of the Territory address, the Governor noted that public safety is the third cornerstone of future development and quality of life in the Territory. The problem of violent crime remains unsolved with 56 murders registered in 2012. Half the murders involved persons 30 years of age or younger. The territorial Government initiated a review of gun-licensing procedures, security measures at schools and the overarching issue of guns in the Territory.

V. Environmental protection and disaster preparedness

40. A 2009 bill provided for raising awareness about the use of renewable energy alternatives in both the public and private sectors. In 2010, the United States Virgin Islands received nearly half a million dollars in federal funds to help preserve coral reefs near St. Croix, which, like coral reefs across the Caribbean and elsewhere, face a growing threat of extinction from rising ocean temperatures. The funds were issued by the National Oceanic and Atmospheric Administration of the United States of America.

41. In the area of emergency preparedness, the Territory has continued to enhance its operations with the opening of the new headquarters of the Virgin Islands Territorial Emergency Management Agency. The consolidation of emergency call centre operations at two districts has enhanced organizational efficiency by improving responsiveness to residents at their most critical time of need. In June 2011, the Agency installed 10 all-hazards warning sirens across the Virgin Islands — 4 on St. Croix, 4 on St. Thomas and 2 on St. John — concentrating, in particular, on areas considered at high risk for tsunamis. In October 2012, the Agency announced the installation of a new siren warning system replacing faulty repeaters located on St. Croix, St. Thomas and St. John. The system is designed to warn anyone within its range of an imminent threat or danger. Eleven additional sirens will be installed. The installation of tsunami hazard zone and evacuation route signs Territory-wide is expected to be completed in 2013. The Agency is also working to secure federal funding to produce tsunami evacuation maps.

42. In January 2013, the United States Environmental Protection Agency published its annual report on the amount of toxic chemicals released in 2011 to the land, air and water by industrial facilities in the United States Virgin Islands. The report showed an increase in emissions in the past year. Total reported emissions to land, air and water by the four facilities monitored increased from about 760,000 pounds in 2010 to about 1.8 million pounds in 2011. Much of the increase was owing to new requirements to report two chemicals released by the Hovensa facility on St. Croix and a more accurate method used by Hovensa to calculate emissions.

VI. Relations with international organizations and partners

43. The United States Virgin Islands is an associate member of the Economic Commission for Latin America and the Caribbean. The Territory has observer status with the Association of Caribbean States and with the Alliance of Small Island States, which serves as a platform to promote action on environmental issues, including climate change. According to information provided by the administering

Power, the United States Virgin Islands received acceptance as a territorial Government with observer status at the Organization of Eastern Caribbean States in the last quarter of 2009.

44. In 2012, the Governor of the United States Virgin Islands and the Premier of the British Virgin Islands participated in the fifth meeting of the Inter-Virgin Islands Council, which was held in the United States Virgin Islands. Topics such as the development of clean energy resources, cultural preservation, educational and higher learning opportunities for young people, commercial fishing and marine regulations, combating crime and gangs, and the development of common tourism interests were discussed. A memorandum of understanding on the analysis of DNA evidence was signed between the respective police departments.

VII. Future status of the Territory

A. Position of territorial Government

45. Developments regarding discussions on the future status of the United States Virgin Islands are reflected in section I above.

B. Position of administering Power

46. In a letter dated 2 November 2006 addressed to the American Samoa delegate to the United States Congress, the Assistant Secretary of State for Legislative Affairs elaborated on the position of the United States Government on the status of American Samoa and other United States Insular Areas. In his letter, as previously reported, the Assistant Secretary indicated that the status of the Insular Areas regarding their political relations with the Federal Government was an internal United States issue, and not one that came under the purview of the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples. The Assistant Secretary also noted that the Special Committee had no authority to alter in any way the relationship between the United States and those Territories and no mandate to engage the United States in negotiations on their status. In the letter, it was stated that, at the same time, in accordance with its obligations under the Charter of the United Nations to provide regularly to the United Nations statistical and other information of a technical nature relating to economic, social and educational conditions, the Federal Government did submit annual updates on United States Territories to the Special Committee of 24 as a demonstration of United States cooperation as an administering Power and as a corrective to any errors in information that the Special Committee of 24 might have received from other sources.

C. Action taken by the General Assembly

47. On 18 December 2012, the General Assembly adopted, without a vote, resolutions 67/132 A and B, based on the report of the Special Committee (A/67/23) and the subsequent recommendation by the Fourth Committee. Section XI of

resolution 67/132 B concerns the United States Virgin Islands. Under that section's operative paragraphs, the General Assembly:

1. *Welcomes* the proposal of a draft constitution emanating from the Territory in 2009, as a result of the work of the United States Virgin Islands Fifth Constitutional Convention, for review by the administering Power, and requests the administering Power to assist the territorial Government in achieving its political, economic and social goals, in particular the successful conclusion of the ongoing internal Constitutional Convention exercise;

2. *Requests* the administering Power to facilitate the process for approval of the proposed territorial constitution in the United States Congress and its implementation, once agreed upon in the Territory;

3. *Also requests* the administering Power to assist the Territory by facilitating its work concerning a public education programme, consistent with Article 73 *b* of the Charter, and in that regard calls upon the relevant United Nations organizations to provide assistance to the Territory, if requested;

4. *Expresses its concern* regarding the negative impact of the Hovensa plant closure;

5. *Reiterates its call* for the inclusion of the Territory in regional programmes of the United Nations Development Programme, consistent with the participation of other Non-Self-Governing Territories;

6. *Welcomes* the active participation of the Territory in the work of the Economic Commission for Latin America and the Caribbean;

7. *Also welcomes* the holding, for the first time at the level of heads of territorial Government, on 12 May 2011, of the meeting of the Inter-Virgin Islands Council between the Territory and the British Virgin Islands.

United Nations A/AC.109/2013/11

General Assembly

Distr.: General
6 March 2013

Original: English

Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

American Samoa

Working paper prepared by the Secretariat

Contents

		Page
	The Territory at a glance	3
I.	Constitutional, legal and political issues	4
II.	Budget	6
III.	Economic conditions	6
	A. General	6
	B. Fisheries and agriculture	8
	C. Tourism	8
	D. Transport and communications	8
	E. Water, sanitation system and utilities	9
IV.	Social conditions	9
	A. General	9
	B. Labour and immigration	10
	C. Education	10
	D. Public health	11
	E. Crime and public safety	11

Note: The information contained in the present working paper has been derived from public sources, including those of the territorial Government. Further details are contained in previous working papers available from www.un.org/en/decolonization/workin_papers.shtml.

13-25072 (E) 180313

Please recycle

V. Environmental protection and disaster preparedness 11
VI. Relations with international organizations and partners 12
VII. Future status of the Territory 12
A. Position of territorial Government 12
B. Position of administering Power 12
C. Action by the General Assembly 13

The Territory at a glance

Territory: American Samoa is a Non-Self-Governing Territory under the Charter. It is an unincorporated and unorganized territory of the United States of America, administered by the Office of Insular Affairs of the United States Department of the Interior.

Representative of administering Power: United States Department of the Interior, which has a representative resident on the ground.[a]

Geography: Located in the South Pacific, approximately 3,700 kilometres south-west of Hawaii and 4,350 kilometres north-east of Australia. The Territory consists of seven islands: Tutuila and Aunuu, in addition to Ofu, Olosega and Ta'u (known as the Manu'a Islands) and the two coral atolls of Swains and Rose.

Land area: 200 km^2.

Exclusive economic zone: 404,391 km^2.[b]

Population: 55,519 (2010 estimate).

Ethnic composition: Native Pacific Islander: 91.6 per cent; Asian: 2.8 per cent; White: 1.2 per cent; Other ethnic origin: 2 per cent.

Languages: English, Samoan.

Seat of Government: Fagatogo.

Head of territorial Government: Governor Lolo Letalu Matalasi Moliga.

Main political parties: Democrat, Republican.

Elections: The most recent elections were held in November 2012 (Governor/Lieutenant Governor, the delegate to the United States House of Representatives and 20 members of the American Samoa House of Representatives). The next elections are due in November 2014 (House of Representatives).

Legislature: Bicameral "Fono", or legislative assembly.

Gross domestic product (GDP) per capita: $9,315.

Economy: Fishing and agriculture.

Unemployment rate: 29.8 per cent (2005 estimate).

Monetary unit: United States dollar.

Brief history: It is believed that the Samoan archipelago was settled some 3,000 years ago by people migrating from South-East Asia. The Dutch were the first Europeans to discover the islands in 1722. The 1899 Treaty of Berlin, also known as the "Anglo-German Samoa Convention", apportioned to the United States the eastern islands of the Samoan archipelago.

[a] Secretary's Order 2657 of 29 August 1951 and Secretary's Order 3009, as amended, of 3 November 1977, set forth the extent and nature of the authority of the Government of American Samoa and the manner in which the authority is to be exercised (see the Electronic Library of Interior Policies, United States Department of the Interior).

[b] Exclusive economic zone data from the "Sea Around Us" project, a collaboration between the University of British Columbia and the Pew Environment Group (www.seaaroundus.org).

I. Constitutional, legal and political issues

1. By the late 1800s, internal strife among the chiefs of the islands of the Samoan archipelago and struggles among the colonial Powers of Germany, the United Kingdom of Great Britain and Northern Ireland and the United States led to a period of instability. Deeds ceding these islands to the United States from the early 1900s were accepted by an Act of Congress on 20 February 1929. Pursuant to that Act, American Samoans were given the status of United States nationals. The Act provided for an American Samoan Government with all civil, judicial and military powers to be vested in a designee of the President of the United States. As the United States interest in the area had been mainly military, the Territory was placed under the jurisdiction of the United States Navy. On 29 June 1951, Executive Order 10264 of the United States President transferred administrative responsibility for the Territory to the Department of the Interior.

2. American Samoa is an "unincorporated and unorganized" Territory under United States law. Not all provisions of the United States Constitution or of United States law apply. Residents of American Samoa are not United States citizens. They are United States nationals who can freely enter the United States and work or reside anywhere they choose. Children born in the Territory to foreign parents become citizens of either the mother's or the father's country of origin, not United States nationals. American Samoans may not vote in general elections in the United States, but are permitted to participate in presidential primaries and caucuses.

3. The 1960 Constitution of American Samoa was revised in 1967 and subsequently amended in 1970 and 1977. Any amendments or modifications to the Constitution of American Samoa (as approved by the United States Secretary of the Interior) may be made only by an Act of the United States Congress. In 2008, a referendum that would have revised an aspect of the Constitution was narrowly defeated. The June-July 2010 Constitutional Convention proposed amendments or revisions to the current Constitution, including those related to the prohibition of further individualization of communal lands in the Territory, the establishment of an impartial jury in all criminal prosecutions, the enhancement of the Samoan language and culture in the educational system, the management and preservation of the natural resources of the Territory in accordance with local laws, and the provision for an impeachment of the Territory's leaders. However, at the November 2010 general election, the voters overwhelmingly defeated the proposed changes.

4. The Territory's Constitution provides for separate executive and legislative branches and an independent judiciary. The executive branch comprises a Governor and a Lieutenant Governor elected for four-year terms by universal adult suffrage. All American Samoans over 18 years of age are eligible to vote. The Governor is responsible for executing both American Samoan and United States laws and has veto power with regard to legislation passed by the "Fono", the American Samoa legislature.

5. General elections were held in American Samoa in November 2012. Voters chose a new Governor, independent candidate Lolo Letalu Matalasi Moliga, 20 members of the American Samoa House of Representatives, and the delegate to the United States House of Representatives. A referendum on an amendment to the revised Constitution, proposed by the thirty-second legislature was also held. The ballot question read: "Should article II, section 9 of the revised Constitution of

American Samoa be revised to give the Fono, rather than the Secretary of the United States Department of the Interior, the power to override the Governor's veto?" Voters rejected the proposal.

6. The Fono is a bicameral legislature, comprising an 18-member Senate, whose members are chosen by 14 tribal councils, and a 21-member House of Representatives, 20 of whom are elected by popular vote and 1 of whom is appointed as a non-voting delegate from Swains Island. Only a "matai", the traditional chief of an extended family, or "aiga", can become a senator. Senators hold office for a four-year term and representatives for a two-year term. The Fono may pass laws with regard to all local affairs, provided that they are not inconsistent with United States laws in force in the Territory or with United States treaties or international agreements.

7. Since 1981, American Samoa has elected by direct vote a delegate to the United States House of Representatives for a two-year term. The delegate may vote in committees and on the floor except on final passage. During the 2012 general election, Mr. Eni F. H. Faleomavaega was re-elected to serve his thirteenth term as American Samoa's delegate to the United States House of Representatives.

8. The judiciary system consists of a High Court, for which the Chief Justice and the Associate Justices are appointed by the United States Secretary of the Interior, and the local district and village courts, for which the judges are appointed by the Governor. The High Court is separated into Appellate, Trial, Land and Titles, and Family, Drug and Alcohol divisions. The United States Congress has granted limited federal jurisdiction to the High Court to hear certain cases involving federal statutory issues. Examples of federal judicial power delegated to the High Court include the authority to decide Occupational Safety and Health Administration issues and ship mortgage actions in American Samoa. Other matters of federal law arising in the Territory are adjudicated in the United States district courts, mainly the federal courts in Hawaii and Washington, D.C. Since American Samoa is not part of a United States federal judicial district or circuit, there are no statutory provisions for appealing decisions of the High Court to a federal district court.

9. In his statement at the Pacific regional seminar on the implementation of the Third International Decade for the Eradication of Colonialism: current realities and prospects, held in Quito from 30 May to 1 June 2012, the representative of the Governor of American Samoa, said that in the past, the Special Committee had been asked to remove American Samoa from the list of Non-Self-Governing Territories. He further stated that while American Somoa did not advocate a change in its position of removal from the list of colonized States, it must continue to progress politically and economically, while respecting the concerns of the United States and the United Nations.

10. He stressed that one of the most challenging issues the Territory had to deal with in the relationship with the United States was the lack of understanding of American Samoa's unique circumstances and characteristics. He pointed out that because of a strictly political issue, the Territory's economy was forced to bear minimum wage increases regardless of the impact on the economy, a situation that could be replicated in other areas such as immigration and customs, two areas of control that would significantly hinder the Territory's self-determination efforts. Lack of understanding of the special and unique features of Samoa resulted in negative repercussions in relation to air passenger and cargo services. Also, in the case of some education programmes, there had been instances where the Territory had been categorically excluded.

11. In his view, a more structured approach to determine the will of the people would be better implemented and carried out over the future if there were a detailed workplan on how best to gauge the people's will regarding political status, complete with benchmarks for carrying that plan into action, such as periodic commissions and constitutional conventions. The territorial Government had also recommended a more active role for the administering Powers in the self-determination efforts of their territories.

II. Budget

12. The final version of the budget for the fiscal year 2013, which began on 1 October 2012, amounted to $454.83 million, a reduction of about $42.4 million from the original version submitted by the territorial Government. As in the fiscal year 2012, the American Samoa Power Authority (ASPA) received a budget only for the first quarter.

13. According to the Office of Insular Affairs of the United States Department of the Interior, grant funds are provided each year to American Samoa for the operation of the local government, including the judiciary, to fill the gap between budget needs and local revenues. The Office of Insular Affairs has designated American Samoa as a high-risk grantee; this designation allows the Office to require grantees from the Territory to comply with special conditions for future or existing grants. The Office's 2013 budget request for American Samoa operations is $22.752 million, with 62.5 per cent allocated to basic operations and 33.6 per cent to the LBJ Hospital operations.

III. Economic conditions

A. General

14. The review of the American Samoa's Comprehensive Economic Development Strategy, 2012 was released in August 2012 following a process of consultation engaging the American Samoa community. The document, prepared by the Territorial Planning Commission and the Department of Commerce of the American Samoa Government, was made available for public review and comment between 5 September and 5 October 2012. The purpose of the strategy is to provide for the proper identification of future development opportunities and the removal or mitigation conditions which prevent their full realization.

15. Regarding economic development opportunities, the Comprehensive Economic Development Strategy identifies the Territory's main assets in relation to the fishing industry (proximity to fishing grounds, physical and human infrastructure, harbour and port facilities, conditional duty-free access to the United States, and special local and federal tax incentives) and the tourism industry (increasing cruise ship calls, regional transport connections, natural beauty, the National Park and the National Marine Sanctuary, eco and cultural tourism, the pristine Manu'a Islands and a robust Polynesian culture).

16. The strategy identifies three categories of economic development limitations, specifically federal, general and local government constraints. It notes that notwithstanding the federal economic development benefits, the federal Government

is also capable of inflicting great harm on American Samoa's economic development, as was made abundantly clear when the United States Congress imposed the United States minimum wage. The strategy further notes that without a formal political status, Congress tends to modify American Samoa's political status with ad hoc legislation. General constraints involve labour force education and training, land availability and cost, commercial finance availability and cost, physical infrastructure and economic uncertainty and instability. Local government constraints relate to prime areas for improvement of the business climate, including transparency, business licence practices, taxation and labour. The strategy also examines business practices, infrastructure, the legal system, land and financial infrastructure.

17. According to the United States Department of Labor, prior to 24 July 2007, the minimum wage rates for American Samoa were set by a special industry committee. As noted in the previous working paper (A/AC.109/2012/11, para. 15), in 2007, the United States Congress passed legislation authorizing a minimum wage increase in American Samoa of $0.50 per hour each year until the wage reached the minimum wage generally applicable in the United States. On 30 September 2010, President Obama signed House of Representatives Bill No. 3940 into law, postponing the minimum wage increase for 2010 and 2011. On 26 July 2012, he signed the Insular Areas Act into law, postponing the minimum wage increase for 2012, 2013 and 2014. Annual wage increases of $0.50 will recommence on 30 September 2015 and will continue every three years until all rates have reached the federal minimum. The wage rates are set for particular industries, not for an employee's particular occupation. The rates are minimum rates; an employer may choose to pay an employee at a rate higher than the rate(s) for its industry.

18. Since 2009, in collaboration with the Office of Insular Affairs of the Department of the Interior, under the Statistical Improvement Programme, the United States Bureau of Economic Analysis has produced GDP estimates for American Samoa and other United States territories, with the aim of providing a comprehensive and objective measure of economic activity for the territories to support economic and financial decisions. According to the Bureau, the long-term goal of its joint effort with the Office of Insular Affairs is to integrate American Samoa and the other United States territories into the estimates of national GDP and the national income and product accounts, which are essential to a better understanding of the territories' economies.

19. In September 2012, the United States Bureau of Economic Analysis released estimates for the Territory for 2010 and revised estimates for 2002 to 2009. For the first time, it also included estimates of GDP and compensation by industry, and detailed consumer spending. These estimates were developed under the Statistical Improvement Programme funded by the Office of Insular Affairs. Estimates for 2011 are planned to be released in 2013.

20. Real GDP grew 1.3 per cent in 2010, reflecting increases in territorial Government spending and private fixed investment, mainly owing to reconstruction of structures and homes damaged or destroyed by the 2009 earthquake and tsunami.

21. The Territory's largest trading partner is New Zealand, followed by the United States, Australia, India, Indonesia and Japan. American Samoa exports, as well as the manufacturing industry, including the tuna canning industry, declined in 2010. As previously reported, American Samoa imports some 90 per cent of goods and

products, including food and petroleum products, machine parts, building materials, textiles and clothing.

B. Fisheries and agriculture

22. The report of the United States Government Accountability Office on the impact of the minimum wage increases (see A/AC.109/2012/11, para. 16) reflects concerns about American Samoa's loss of competitive advantage in the global tuna canning industry. The analysis presented shows that moving tuna processing plants to other tariff-free countries with lower labour costs would significantly cut operational costs in the industry. The competitive advantage of American Samoa is severely compromised by the duty-free treatment granted by the federal Government to other countries such as Canada and Mexico, which benefit from provisions under the North American Free Trade Agreement that lifted tariffs in January 2008. However, the study also points out that, the obvious advantages of moving operations to other countries notwithstanding, factors such as the remaining cannery's lease obligation up to and including 2013 and the cost of building new plants may hamper near-term relocation.

23. Almost 90 per cent of all farms in the Territory operate on a subsistence basis, and prospects for agricultural development continue to be limited since much of the land is volcanic and mountainous and there is only a small amount of level land suitable for cultivation. At the same time, farmers in American Samoa benefit from assistance provided by the Natural Resources Conservation Service of the United States Department of Agriculture and its environmental quality incentives programme.

C. Tourism

24. The American Samoa Statistical Yearbook 2011, published by the American Samoa Department of Commerce, found that the United States continued to be the primary tourism market for the Territory, holding 56 per cent of the share. New Zealand followed with 29 per cent, Australia with 11 per cent and other countries with the remaining 4 per cent. In 2011, visitor arrivals dropped for the fourth year in a row.

D. Transport and communications

25. There are approximately 180 kilometres of public and primary paved roads and 235 kilometres of secondary village roads in American Samoa. Pago Pago harbour, an all-weather deep-draught harbour, is one of the best natural deep-water harbours in the South Pacific and is of strategic importance to the region. The main dock is 1,000 feet long, handling ships of up to a 32-foot draught. The harbour provides the full complement of equipment and facilities. The ship repair facility features a 3,000-ton marine railway.

26. The four airports in the Territory are situated on the islands of Tutuila, Ofu, Olosega and Ta'u respectively. Pago Pago International Airport is owned and operated by the territorial Government. The main airport is regularly served by a

number of airlines that link American Samoa with Hawaii and the continental United States as well as other countries in the South Pacific. Within the Territory, Inter Island Airways offers regular flights to Ofu, Olosega and Ta'u.

27. American Samoa's air transport service to and from the United States is severely restricted by United States cabotage laws that prohibit foreign carriers from transporting passengers between American Samoa and other parts of the United States, according to the Comprehensive Economic Development Strategy document.

28. The Territory has three FM stations and three AM stations, serving approximately 57,000 radios. One Government-owned television station broadcasts over three channels to approximately 14,000 television sets. Internet access is provided by the American Samoa Telecommunications Authority, a semi-autonomous government agency.

E. Water, sanitation system and utilities

29. ASPA provides water, wastewater, solid-waste and electric services to customers on five of the seven islands. The Authority provides drinking water to 90 per cent of the Territory from wells, with the remaining 10 per cent being serviced by outer-village systems. According to a survey published in August 2010, the Authority loses up to 50 per cent of its water through leaky pipes. In some areas water has a high salt content. The survey also indicated that the design limitations of water pipes make their maintenance an extremely difficult task.

30. American Samoa depends entirely on diesel-generated power. Several projects have been launched to reduce this dependence and promote a healthy environment, such as a waste-to-energy project, and solar and wind technologies are being pursued. In September 2012, the fixed ground-mounted photovoltaic system was completed. The estimated photovoltaic system electricity production of 2.6 million kWh (kilowatt-hours)/year will offset ASPA's diesel consumption by more than 175,000 gallons and avoid releasing 3.9 million pounds of carbon dioxide into the atmosphere. Since waste management is recognized as a major public health and environmental concern for Pacific island countries and territories, American Samoa has joined the region's strategy for solid-waste management, which sets the strategic direction for the period 2010-2015.

IV. Social conditions

A. General

31. Known as "fa'asamoa", the Samoan way of life is based on the notion of mutual respect and sharing among the aiga (extended families), each featuring a common allegiance to a matai (chief), and it influences every aspect of the Territory's socioeconomic fabric. Since 2008, the Territory's legislature has been working to further strengthen the use of the Samoan language in public schools, in tandem with English.

32. In 2011, the Pacific office of the United Nations Children's Fund (UNICEF) and the Secretariat of the Pacific Community published *The State of Pacific Youth 2011: Opportunities and Obstacles*, a report highlighting significant problems

facing young people in the Pacific, including American Samoa, such as the high number of teenage pregnancies, the high proportion (26 per cent) of female teenage students physically forced to have sexual intercourse, and alcohol abuse.

33. According to the American Samoa Statistical Yearbook 2011, in 2000, about 62 per cent of all persons, or 50 per cent of families, were below the national poverty level. Out of every 10 families, one was headed by a single female householder with children. Of the 3,889 grandparents reported to have lived with their grandchildren, 71 per cent were responsible for childcare.

B. Labour and immigration

34. Further to the employment situation reported in the previous working paper (A/AC.109/2012/11, section B), the Comprehensive Economic Development Strategy document states that, according to more recent estimates, employment began to rebound in 2010 and 2011, owing to United States economic and disaster recovery programmes, through substantial and extraordinary federal expenditure increases in American Samoa in 2009 and 2010. The strategy document notes that the federal funding impact on jobs must be regarded as temporary since United States recovery programmes are by definition intended to be short-term responses to short-term problems and, as a consequence, American Samoa's downward employment spiral could resume.

35. American Samoa has its own immigration laws and entry conditions into the Territory, which are not the same as those applicable to the United States. As previously reported, a new immigration law for American Samoa has entered into force, giving the Attorney-General, rather than a Government-appointed board, full authority over the granting of permanent resident status. The Comprehensive Economic Development Strategy document found that local control of immigration is an important advantage to American Samoa especially in view of its limited labour force skill range and the need to bring in skilled workers and management for many industries. It further recommended revising the immigration law, policy and procedures to better accommodate business labour requirements and expressed concern that local immigration and customs control in American Samoa could be federalized, a scenario that could have very severe adverse effects on the local labour market.

C. Education

36. Education in American Samoa is compulsory from 6 to 18 years of age. The education system is broadly based on that of the United States. According to the American Samoa Department of Education, there are 22 early childhood education centres, 23 elementary schools and 6 high schools in the Territory. The Department serves over 14,150 students in grades kindergarten to 12.

37. American Samoa has a literacy rate of approximately 97 per cent. There are five school districts, each centred on a high school together with lower-level elementary or "feeder schools". The Department has 563 teachers in elementary education, 248 teaching personnel in secondary education, 18 in vocational education, 202 in special education and 118 in early childhood education.

38. The American Samoa Community College offers two-year degree courses in the arts and sciences and certificate programmes of proficiency in vocational and clerical skills, business and nursing.

39. In 2012, Aunuu, Tutuila and the Manu'a Islands were designated teacher shortage areas by the United States Department of Education in response to a request submitted by the American Samoa Department of Education.

D. Public health

40. According to the 2013-2017 World Health Organization (WHO) Country Cooperation Strategy for American Samoa, the most serious health issues are related to the increase in chronic and non-communicable diseases owing to improper nutrition and physical inactivity. Significant increases have been seen in obesity, hypertension, cardiovascular diseases, cerebrovascular diseases, diabetes mellitus and its complications, arthritis and some forms of cancer.

41. Some 16 per cent of the Lyndon Baines Johnson Tropical Medical Center budget comes from the federal Government; most of the funds are used to purchase medical supplies. Vaccines and pharmaceuticals are purchased in the United States, as the Food and Drug Administration prohibits the purchase of medicines elsewhere. Logistical and financial factors cause frequent scarcity problems.

42. According to WHO, the morbidity pattern has fundamentally changed over the past three decades, with an increase in non-communicable diseases stemming from modernization and lifestyle changes. Inappropriate nutrition and physical inactivity are the leading cause of significant increases in obesity in both sexes and, especially, young people.

E. Crime and public safety

43. The Territory continued to enhance cooperation with the Pacific Islands Chiefs of Police organization and the United States Department of Justice through its newly established Office of Territorial and International Criminal Intelligence and Drug Enforcement.

44. In 2012, it was announced that all Federal Bureau of Investigation (FBI) operations and investigative efforts in American Samoa would be handled by the FBI office in Honolulu, Hawaii. The decision for this consolidation was made by the United States Congress for budgetary reasons.

V. Environmental protection and disaster preparedness

45. The American Samoa Environmental Protection Agency, funded by the United States Environmental Protection Agency, is mandated to protect human health and to safeguard the natural environment: air, water and land.

46. Just as all South Pacific countries, American Samoa faces the problem of safe disposal of solid and liquid waste, particularly as a result of urbanization. According to the United Nations Environment Programme, point source pollution from industrial waste and sewage, inappropriately sited and poorly managed garbage

dumps, and disposal of toxic chemicals is a significant contributor to marine pollution and coastal degradation. Concern is also growing that toxic and hazardous waste may be brought to the region from developed countries for disposal.

VI. Relations with international organizations and partners

47. American Samoa has been an associate member of the Economic and Social Commission for Asia and the Pacific since 1988. International labour conventions and recommendations are applicable to it. The Territory belongs to various regional bodies of the United Nations system, including WHO, for which it falls under the Regional Office for the Western Pacific and the Western Pacific Regional Centre for the Promotion of Environmental Planning and Applied Studies.

48. American Samoa is a member of several regional organizations, including the Secretariat of the Pacific Community, the Pacific Basin Development Council, the Pacific Tuna Development Foundation, the Pacific Islands Association of Non-governmental Organizations, the Asian South Pacific Bureau of Adult Education, the Pacific Asia Travel Association and the South Pacific Regional Environment Programme. The Territory participates in the Pacific Islands Applied Geoscience Commission and the Pacific Community Coastal Fisheries Programme. American Samoa also belongs to United States organizations, such as the National and Western Governors' Associations. The Government of American Samoa has signed memorandums of understanding with the Governments of Samoa and Tonga on mutual economic cooperation and has sent trade missions to a number of countries in the Pacific region.

49. At the forty-second Pacific Islands Forum Leaders' meeting, held in September 2011 in Auckland, New Zealand, American Samoa was accorded observer status. The Territory also holds observer status with the Alliance of Small Island States.

VII. Future status of the Territory

A. Position of territorial Government

50. Section I of the present working paper reflects recent developments in American Samoa concerning its future political status.

B. Position of administering Power

51. In a letter dated 2 November 2006 addressed to Congressman Faleomavaega, the United States Assistant Secretary of State for Legislative Affairs set forth the position of the Government of the United States on the status of American Samoa and other United States insular areas. In his letter, the Assistant Secretary indicated that the status of the insular areas regarding their political relations with the federal Government was an internal United States issue, and not one that came under the purview of the Special Committee. He also stated that the Special Committee had no authority to alter in any way the relationship between the United States and those territories and no mandate to engage the United States in negotiations on their status. He further stated that, at the same time, in accordance with its obligations

under the Charter of the United Nations to provide regularly to the United Nations statistical and other information of a technical nature relating to the economic, social and educational conditions, the federal Government did submit annual updates on United States territories to the Special Committee as a demonstration of United States cooperation as an administering Power and to correct any errors in information that the Special Committee might have received from other sources.

C. Action by the General Assembly

52. On 18 December 2012, the General Assembly adopted without a vote resolutions 67/132 A and B, based on the report of the Special Committee transmitted to the General Assembly (A/67/23) and its subsequent consideration by the Fourth Committee. Section I of resolution 67/132 B concerns American Samoa. Under the operative paragraphs of that section, the General Assembly:

1. *Welcomes* the work of the territorial Government with respect to moving forward on political status, local autonomy and self-governance issues with a view to making political and economic progress;

2. *Expresses* once again its appreciation for the invitation extended in 2011 by the Governor of American Samoa to the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples to send a visiting mission to the Territory, calls upon the administering Power to facilitate such a mission if the territorial Government so desires, and requests the Chair of the Special Committee to take all the steps necessary to that end;

3. *Requests* the administering Power to assist the Territory by facilitating its work concerning a public awareness programme, consistent with Article 73 *b* of the Charter of the United Nations, and in that regard calls upon the relevant United Nations organizations to provide assistance to the Territory, if requested;

4. *Calls upon* the administering Power to assist the territorial Government in the diversification and sustainability of the economy of the Territory and to address employment and cost-of-living issues.